Business Leaders Look at The Year Ahead (p. 11)

THE FINANCIAL POST

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The Nation's Business

Stock Rackets Stifle Due Mining Growth

Some highly placed and politically influential Ontarians defend mining racketeering on these grounds: They claim that out of all this flurry of excitement, this razzle-dazzling of the public with the lure of quick riches, there is a residue of new mine prospects with mine-making possibilities and that, in the end, the mining industry benefits.

Here is a second line of justification: The public wants gambling facilities, insists upon gambling somehow. Stock promotions, they argue, gratify these urges, keep some money from going to horse-race bookies outside this country, and may conceivably give this country some new mines or open up new mine areas.

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On the gambling argument, it would seem that the public deserves some assurance that it is getting a decent gamble for its money. Everywhere that gambling is legal, the public gets some protection against operators using loaded dice, crooked wheels and other means of fixing the odds excessively in favor of the operator.

Under the present situation in Ontario, racketeer stock operators can get away with almost anything; and from them the gambling public gets loaded dice and crooked wheel games.

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The argument that an outburst of stock racketeering leads, in the end, to expansion of the mining industry is the same as arguing that a plague of mumps and measles results in more and better babies.

Take just two angles of that argument:

As pointed out in an article elsewhere on this page, the stock racketeer collects enormous sums from the public and puts but little indeed into mine development. The only thing that advances the mining industry is the dollars actually spent on prospecting, drilling, trenching and all the other expensive operations of mine development.

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But the racketeer spends hardly anything of the money he gets from the public on mine development. Beyond the few dollars he needs to pay for getting a couple of mining claims and the extra few dollars per year to keep his hold on the claims, he need not spend a dollar for actual mining development. He can pocket virtually the whole take, pile up fancy expenses for his "company" with salaries and so on. It's as simple as the proverbial trick of taking candy from a kid, provided the operator has a powerful sales staff and no conscience. Work done on the property may be little more than window dressing to sell more stock.

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How lining the pockets of hoodlums with millions of dollars extorted and tricked from the people of Canada helps mining we fail to see.

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The racketeer is fabulously prosperous these days primarily because the people of Canada and the United States have a great deal of money. Much of it is in the hands of people completely unfamiliar with investment and speculation, unaccustomed to having little batches of money beyond their immediate needs, easily lured with get-rich-quick tales into handing over their Victory Bonds and other savings.

Into this field of lambs, the stock selling wolves have galloped from all over the continent.

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As reported in last week's issue of The Financial Post, between 25 and 50 gold properties have had enough work done on them in recent years to indicate the wisdom of going ahead with shaft-sinking and underground development as soon as the war is over. This is a tremendously valuable addition to mining and to Canada's productive resources.

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It is a virtual certainty that if the millions of dollars gouged out of the public by the racketeers in the past few years had gone into well-conceived mine making effort, we would now have a great many more mines ready to get under way and a great deal more of potential mining land adequately tested.

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Canada has expert, conscientious promoters who do an excellent job of mine financing. They are real mine developers. Canada needs more promoters; more honest-to-goodness mine promotions.

By permitting the stock crooks to continue operations, the Ontario Government is simply stifling the work of the real promoter; depriving him and this country of the money needed to advance this important industry.

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AN EXCELLENT EXAMPLE

The Bank of Toronto this week announced the election of an outstanding Canadian farmer, J. J. E. McCague to its board of directors. (See personality sketch page 6.) This recognition of a major and basic industry of the Dominion furnishes an example that other national institutions of the country might well emulate.

Agriculture has played a leading part in the development of Canada; it has played a leading part in our truly magnificent war effort. In the tremendous readjustment to peace that lies ahead, agriculture will also play a major role.

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Business generally will benefit from the guidance and counsel of farm leaders like Mr. McCague. Agriculture will benefit too from a closer association with the financial and industrial institutions of the Dominion.

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GRIM, HARD WORK AHEAD

Hard work and lots of it will be the role of most Canadians in 1945. That, in briefest form, is the forecast of 68 business and industrial leaders quoted in this issue of The Financial Post. There is little of the usual happy new year in their statements, just the grim announcement that Canadian factories will continue to turn out guns, shells and explosives so long as these weapons of death are needed.

Until peace has been won in Europe at least, little hope is held out of any substantial improvement in the supply of civilian goods. Heavy industry, the basic supply of such goods, is again concentrating almost exclusively on war production, the recent slight easing off ending abruptly with the German Christmas offensive.

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Beyond the end of the war most industrialists very naturally are reluctant to go in for long term prophecy. They point out that much will depend upon the kind of peace we are able to devise, upon whether the world will be wise enough and able to settle down to work and trade, instead of the chaos, which threatens so much of that part that we have already liberated.

For the immediate future our job is to win the war, regardless of personal inconvenience and sacrifice. In the words of one industrialist quoted in our 1945 forecast, "we can best serve our country by spurning all wishful thinking and buckling down to war work, to victory bond purchases and to blood donations as never before."

Report Rich Drill Holes Giant Mine

Two Holes Suggest Large Body of Ore Approaching Ounce Grade — Open to North

By GORDON M. GRANT

Giant Yellowknife Gold Mines, which has been amazing the Canadian public with its rich drill holes, has recently completed two drill holes which appear to transcend all others in the rich shoot of high grade ore they apparently indicate.

Located in the northerly part of the Dadson shear zone, the two holes are 100 ft. apart and prospects appear bright that the high-grade section shown by the two holes may be found to extend still farther north.

The more southerly of the two holes, No. 180, returned an estimated true width of 90 ft. with an uncut average grade of 0.72 oz. ($27.72); many contiguous high-grade sections in the core suggested that the uncut average may turn out to be closer to the true grade than the official cut assay of 0.50 oz.

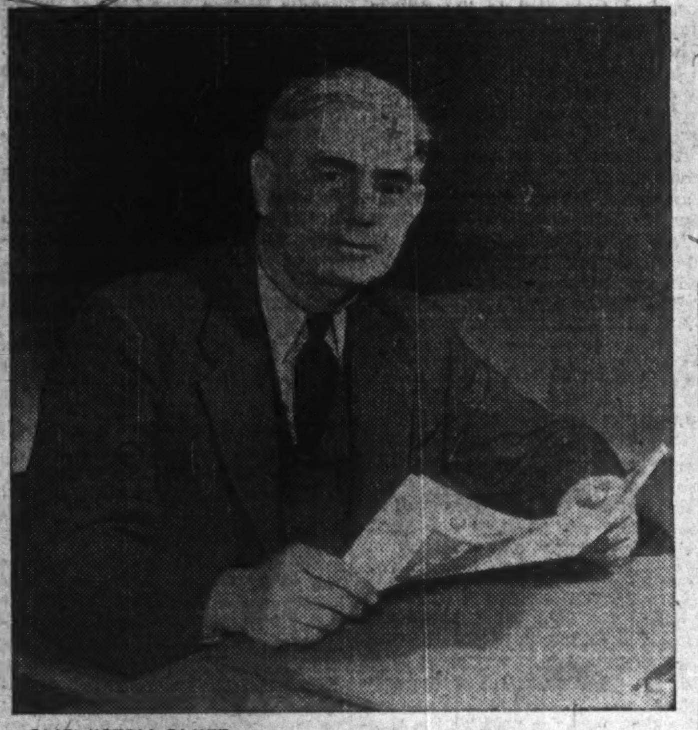
Hole Runs Over Ounce

While this hole is perhaps the best yet, a new hole 100 ft. to the north of this shows a considerably higher grade across a smaller width and the chances now appear bright for a "jackpot" of high-grade ore which could be used as a sweetener for mill feed when production is reached. The latest hole returned a core length of 57.4 ft. averaging over an ounce gold per ton—1.10 oz. to be exact—on an uncut basis or an average of 0.61 oz. on an official cut basis. It is thought that the true width will be a little less than the core length.

The latest hole suggests that the indicated ore zone is taking an easterly dip. Farther south it was more nearly vertical and farther south than that again dip was indicated as being west.

Two holes were completed some time ago to the north of the latest hole, No. 186, but it was thought that they had been completed too far to the east, causing the drilling of No. 186 to test this theory. From No. 186 results it appears that theory has been confirmed and that the zone is "open" to the north. Further holes will be spaced out to the north to test the zone on its extension, it is expected.

Most of the equipment needed for shaft sinking has now reached the property and it is expected the balance will be freighted in this winter. Progress has been rapid in erection of camps. Steps are being taken to prevent drilling operations from being affected by a shortage of gasoline at Giant. Unless some remedial steps are taken, it is pointed out, some operators may find themselves face to face with a shortage of gasoline next February, The Financial Post is informed.



CHEMISTRY CHIEF

This week the Chemical Institute of Canada begins to function as successor to three separate societies which long represented Canadian chemists, chemical industries and related interests — the Canadian Institute of Chemistry, Canadian Chemical Association, and Canadian sections of the (British) Society of Chemical Industry. At its head is Ontario farm born L. E. "Rusty" Westman, 54, Toronto scientist, manufacturer, publisher and munitions manpower organizer. Mr. Westman is serving at Ottawa as National Selective Service associate director for war industry, has been chief of the Wartime Bureau of Technical Personnel.

See No IDB Financing For Feeder Air Lines

From Our Own Correspondent

MONTREAL—A major question mark as regards future air line development in Canada, as viewed in local banking circles, is the uncertainty as to who or what will finance such development, if it is to be assumed that the Government will hold fast to policies announced by Munitions Minister Howe.

Government policy, as set forth by Mr. Howe, stipulates that the Canadian Pacific must divest itself of the assets making up Canadian Pacific Air Lines within one year after the war and have nothing to do with air lines in the future, that the Government will operate all existing main lines and such as it may in the future decide to take over, and that secondary, feeder or branch line licenses are being reserved for returned men who may wish to make application for such licenses.

Little Money in Feeders

As regards main line development, government financing, through Trans-Canada Air Lines, can be assumed. But as regards financing for feeder lines, there is considerable doubt.

It has been taken for granted in some quarters that the Government will provide such financing through the new government-owned bank, the Industrial Development Bank, which has been set up to assist development of small businesses in the postwar period.

But officials of the Industrial Development Bank advise The Financial Post that such financing is beyond its powers. They point out that financing operations are specifically restricted to manufacturing and processing and refrigeration industries.

An industrial enterprise, such as the government bank can assist, must be, according to the Act, "a business in which the manufacture, processing or refrigeration of goods, wares and merchandising or the building, alteration or repair of ships or vessels or the generating or distributing of electricity is carried on."

Private Money Doubted

Prospects for obtaining private financing for small competing feeder lines, particularly in view of past experience in this country, are considered dubious. Even with the cost savings possible through unified operations under a strong company, such as Canadian Pacific, feed line business was by no means a financial bonanza.

This doesn't apply, of course, to one-plane operators, for whom there always will be a chance for a living. In such cases financial outlay is small, upkeep relatively low.

Keynes' Discussions With Ottawa Suggest Possible Trade Deadlock

Britain's Stand Pat Attitude on Credit Purchases From Canada May Force Drastic Reorientation of Dominion's Import and Export Trade

By KENNETH R. WILSON

OTTAWA.—Most portentous problems facing government brain-trusters in 1945 are the trade relations between Canada and the "sterling" area. This area has absorbed between $5 and $6 billions of Canadian products, material and war supplies in the war years, and normally accounts for anything up to one-half our total sales abroad.

But when Lord Keynes and other British officials were here recently, they made it clear that United Kingdom is quite prepared to take a very tough attitude toward future trade relations with "hard" or dollar currency countries like Canada.

Britain said in effect: "Beyond what assistance you give us under free gift or Mutual Aid, we are determined, in future, to stand on our own commercial feet. We will deny ourselves Canadian goods rather than go into debt or take your surplus products on credit."

Carried to conclusion, such an attitude on the part of Canada's biggest customer, suggests a bleak outlook for hundreds of millions of dollars worth of Canadian products which normally find ready sale in Britain.

Were Britain to restrict her post-war purchases in Canada to about the volume of our pre-war purchases in Britain, Canada would have a tough job trying to find other world markets. Between 1929 and 1938, we sold Britain about $2.8 billions of goods while purchasing less than half that amount in return. Prior to the war, the excess of our sales to Britain as compared to our purchases of British goods was running close to a quarter of a billion dollars annually.

Britain's Position

Britain now wants to increase her exports by roughly 50% in order to restore the unbalance caused by loss of overseas investments, etc.

She wants especially to extend her trade with other countries in the "sterling" area—countries which have huge credit balances piled up in London, and which Britain can only reduce by a "favorable" balance of trade.

She is determined not to pile up indebtedness in "hard" currency countries like Canada and United States—indebtedness which would merely let these countries get rid of their huge surpluses and at the same time avoid buying more goods from Britain.

In short, Britain is saying something like this:

"If Canada, cannot buy our goods and services we will buy our wheat and meat elsewhere.

"We will, if need be, gather around us a block of countries which will do business on a 'sterling' basis and who are prepared to take our merchandise or settle their accounts in London as an alternative."

Behind this attitude is a fear that in open competition both Canada and the United States can undersell Great Britain in the markets of the world. Canadian price levels, under present ceiling conditions, are away below the present level of prices in Britain.

For example, British coal is now being subsidized to the extent of about $6 a ton in order that it can be sold in Canada. On a wide range of miscellaneous British items which normally found a ready market in Canada, the British price level is probably 30 to 75% higher than present Canadian ceiling prices.

The direct swap of goods within the sterling areas might "cushion" Britain against this type of postwar competition. Thus Denmark and Britain (for example) might exchange butter, cheese, bacon, etc. for British machinery and manufactured goods irrespective of the level of prices in Canada or the U. S.

Mutual Aid Enigma

For the immediate future, a governing factor will be the extent to which the Canadian Parliament is prepared to extend further "free gift" by way of Mutual Aid. Also of importance will be the extent to which Britain continues to supply goods and services to our troops overseas.

In the current fiscal year, these two items alone, provided Britain with close to two billions of Canadian dollars to match against needed supplies grown in this country.

For the future, the $64 question is whether U. S. commercial policy is going to be one that will drive Britain more closely into the sterling bloc or whether it will ease the present gap between "sterling" and "hard" dollar currency.

Canada is in an impossible position if the gap between sterling and hard currency widens.

At the moment, the hope of Ottawa officialdom is that 1945 will bring a closer, not a wider trade relationship between Britain and the United States.

Net of $2.30 On CPR com. Is Indicated

By DWIGHT MOODY

MONTREAL—Present indications are that Canadian Pacific Railway Co. will report earnings for the full year 1944 somewhere in the neighborhood of $2.30 a share on the common stock. This tentative estimate is based on assumption that the same accounting policies will be followed as last year, is subject to possibility of interdepartment transfers and other year-end adjustments, which might alter final figures.

From operating reports issued, it is evident that gross operating earnings for 1944 will approximate $320 millions, the first time in CPR history that gross has exceeded the $300 millions mark, and comparing with $297,107,791 reported for 1943.

Net to be Lower

Due to the retroactive wage increases, which are costing the Canadian Pacific a net amount of $9 millions ($15 millions gross less $6 millions tax savings) extra out of this year's earnings, net operating income has not kept pace with the improvement in gross. Net for the first 11 months of 1944 totalled $38,409,729 against $44,193,918 in the corresponding 1943 period, with November net of over $6 millions, up $439,438 over the year before despite wage increase deductions for the month. Assuming December net approximately equal to the 1943 figure, or around $5 millions, net operating revenue for the full year 1944 will be shown at about $43.5 millions, compared with the 1943 total of $49,211,567.

"Other income" which totalled $16,270,751 (net) in 1943, will be shown lower for 1944, due chiefly to lower earnings of Northern Alberta Railways (in which CPR has a 50% equity) and to lower revenues of the steamship department. Several Canadian Pacific boats were sunk in 1943, and this resulted in loss of revenue from these boats in 1944. Other departments are expected to show no very important change in results, but decline in total "other income" may be about $2 millions from the 1943 total of $16.3 millions.

As a partial offset, total deductions for fixed charges, and for interest payments, under the guarantee, on "Soo" Line bonds, probably will be about $1 million less than the 1943 total of $22,499,600.

Thus, net income of approximately $36 millions for 1944 is indicated, which would be equal after preferred dividends to around $2.30 a share on the common. This would compare with net income reported for 1943 of $42,982,718, or $2.83 a common share.

Stock Racketeering — Second of a Series

Stock Racketeer Can Pocket Share Sale Proceeds And Play With Clients' Money as Audit Job Lags

Auditing of the books of unlisted brokers has long been recognized as a vital and desirable means of protecting the public.

Stock Exchanges have independent audits of the books of their own members. Particular care is taken to have carefully selected panels of professional auditors do the work.

A department of the Ontario Securities Commission has long been maintained to do this work among brokers not members of any organized stock exchange.

No Audits by OSC in 1944?

But currently the Ontario Government has, at least for the time being, virtually abandoned this phase of its work of protecting the public. Not a single case is known to The Financial Post of one of these surprise audits being completed in 1944, save on special investigations.

Another OSC auditing job now virtually abandoned is checking the treasuries of new mining companies to see what is done with the money collected from the sale of shares.

Under the present situation, the conscience of the individual operator is the public's only guarantee that the money goes into effort to find or develop a mine. There is no real guarantee against the "meal ticket" company.

How It Works

Take a typical case. The public buys stock at 25 cents a share in Moose Pasture Ltd. Of that 25 cents it is common practice under present conditions for 20 cents to go into the pocket of the promoter to pay his salesmen and other expenses and to give himself a profit. Where does the other five cents go?

It can go to pay for finding or developing a mineral property. But, under present conditions, a racketeer can develop a system to pocket almost the whole 25 cents himself, spending only the very few dollars per year needed to maintain ownership of a property.

When the 5 cents a share reaches the treasury of Moose Pasture Ltd. —if it does—"costs" may be loaded by the racketeer for office space for some other business and salaries for wife, sweethearts and friends. The entire money you paid over for shares may be simply a gift to the racketeer.

Your only chance with such racketeers is that one of the honest and sincere promoters (and there are many of them in this country) will be spending the money received from the sale of stock to the public in actually drilling and blasting and attempting to develop a mine. If one of these men is operating near your Moose Pasture property and his results are promising — and you are not talked into selling your stock too soon—then your shares may have some worth.

Weren't Even Surprised

Look at the situation with respect to audits of the books of brokers, not stock exchange members.

The audits were supposed to be surprise. Government auditors were supposed to walk in on the brokers at irregular and unheralded times to see that dealers were solvent and to see that dealers were not misusing the funds entrusted to them by the public.

The surprise aspect of this work for some time has been widely regarded as a joke for some of the firms audited. Some firms weren't for some reason or another "surprised" at all.

Even more serious is the fact that some influential voice has been able to have the auditing work almost completely stopped. The OSC audit department exists, but in the past year it has had little or nothing to do on the job of routine checking of brokers' books.

A Protection to Dealer

The responsible unlisted broker has never objected to these audits; has welcomed them rather because they protected him in his dealings with other brokers; because they were good for the business as a whole and the public.

Only the fly-by-nights and the racketeers objected. So influential are some of these people, and so influential with the Ontario Government are some of the racketeers' friends and hired advisors, that they have apparently succeeded in protecting themselves against potential embarrassment and fraud prosecution by getting audits virtually eliminated.

Ontario's Attorney-General Leslie Blackwell asserts that he is "sold" on the importance of a good audit for nonmember brokers. He indicates that a feature of his forthcoming new securities act may be a requirement for at least as strict an audit as that imposed on members of the Toronto Stock Exchange.

But for a year Mr. Backwell has countenanced a situation, in a department under his direct care, where there has been no effective check on unlisted stock brokers' books.

It is required under the Ontario Securities Act, of course, that a balance sheet, certified by an "independent auditor" be submitted once a year by unlisted dealers.

That "independent auditor" phrase may mean much or nothing at all.

The "auditor" who certifies the account need not be a member of any professional association. He need have no demonstrated competence whatever. He can be the broker's son, clerk, or mother-in-law.

Obviously, then, the "audited" balance sheet requirement means as much or as little as the broker himself wants to make it. This aspect of OSC management of an important situation is just a farce.

There is no such nonsense in the auditing of stock exchange members. In those cases the auditor has to be an auditor.

Here is just one of many grave cases of citizens being flim-flammed by the racketeers because of OSC failure to check on brokers' books.

Call the victim Mrs. A.

Long after she paid over her money, stocks, others than those purchased, were delivered to her.

There was continued refusal to give her the securities she purchased. Then, to keep her quiet, she was given an interest in a company to be formed some time in the future.

The case came before the Ontario Securities Commission and the defaulting firm agreed to make restitution by paying the victim $100 monthly.

Soon the firm welched on the deal, tried to force the victim to accept 50,000 shares in a new stock promotion as payment of the $10,000 they owed her.

The victim refused. But she isn't getting $100 a month. The racketeer is many months behind on his payments. It is unlikely that under the present administration, he will be made to pay up; it is likely the woman will simply be out the most of her $10,000.

Set Up Housing Branch In Reconstruction Dept.

Ottawa May Move Some National Housing Act Responsibility to C. D. Howe's New Department — Rental Housing Involved

By STAFF WRITER

OTTAWA—Though no official announcement may be made for some weeks, it is understood that Joseph M. Pigott of Hamilton will retire shortly as president of Wartime Housing Ltd. in order to assume, temporarily, new duties as Director-General of Housing in the Department of Reconstruction.

As outlined earlier in The Financial Post, preliminary work in establishing the various directorates in the Department of Reconstruction has been going on quietly here. These include five major appointments: Dr. W. A. Mackintosh (economics and statistics); Harry Carmichael (plant conversion); Gerald Godsoe (controls); Dean Mackenzie (research); J. H. Berry (surplus disposal).

The decision to name Mr. Pigott as director-general of the Housing Directorate of the department, adds a sixth member and is thought to leave only one appointment outstanding, a Director-General of Public Projects. This latter appointment is for the head of a department to coordinate postwar effort on public works of a type which could properly be classed as "reconstruction" or rehabilitation projects. So far as can be learned, no appointment to this directorate has been agreed on as yet.

In the case of Mr. Pigott, though he will assume full time direction of the Housing branch, his appointment will be only temporary in that he has indicated his anxiety to return to his own business as soon as possible after the new branch has been set up and organized.

Just what authority the new department will be given in the field of housing and the extent to which it will absorb functions now the responsibility of National Housing under the Department of Finance, is not yet clear.

It is expected that NHA will continue to have responsibility for the administration of Part 1 of the present Act dealing with the financing and promotion of individual units for persons who want to buy or own their own house. It is also clear that responsibility for research and development in the field of low-cost or improved housing or building methods will become the responsibility of the Department of Reconstruction.

Now under discussion is whether or not the Department of Reconstruction should be given wide authority to administer or promote the extension of rental housing, especially in the low-bracket field.

It is argued that the present National Housing Act still falls short of providing adequate incentives in the field.

Pace of Business

This chart explains the major reason for the enormous boost in farm purchasing power in western Canada and especially in Saskatchewan, leading wheat province of the Dominion. In contrast to a year ago when farm wheat deliveries were rigidly restricted because of crowded elevator space, this fall, due to much heavier exports, farmers were able to sell their wheat freely.

Canada—U.S. Air Pact Discussions to Begin

Direct Bargaining for Civil Air Routes Due Shortly — Also Plan New World Body With Head Office in Montreal

By STAFF WRITER

OTTAWA — Canada and the United States soon will begin direct bilateral negotiations on international air "rights" and "routes" affecting the two countries.

These negotiations are a sequel of the recent Chicago conference.

Prior to the Canada-U. S. discussions, both countries will have to decide just what routes each wants to operate, immediately across the other's territory.

At present, there are applications in great number before the U. S. Civil Aeronautics Board at Washington for license to fly services either into or across Canadian territory. In Canada, the situation is less complicated because of the near-monopoly position of Trans-Canada Air Lines. Since the Government knocked the props from under the other major Canadian line (CPA) last March, there has been little or no disposition on the part of that organization to plan active development or expansion.

Since Chicago, the U. S. has already announced completion of direct bilateral agreements with a number of important "air transport" countries. Among these are Spain, Sweden and Denmark. Canada, meanwhile, has been continuing bilateral discussion with Commonwealth nations in respect of civil transport services involving each other's territory.

Int. Paints (Canada)

During the year International Paints (Canada) plants worked to full capacity and both production and sales were substantially larger than the previous year.

The regular dividend of 5% was declared on the preferred stock plus an additional dividend of 5% ($1) a share on account of arrears, both to be paid on Jan. 12, 1945. This will leave arrears of $2.50 a share. When all arrears of dividends have been fully paid up, the dividend rate will increase to 6%.

CONS. INCOME ACCOUNT

Years Ended Sept. 30:	1944	1943
Net earnings	$486,880	$393,309
Less: Deprec.	14,168	37,862
Inc. tax res.‡	370,673	248,636
Trans. to gen. res.	11,039	34,898
Goodwill w/o	7,000	......
Invent. res.	......	8,913
Net profit	84,000	63,000
Pref. dividend	62,988	62,988
Surplus for year	21,012	12
‡Inc. refund. E.P.T.	58,724	39,184
Earnings per Share and Dividend Record:		
Pref.: Excl. E.P.T.	$2.00	$1.50
Incl. ref. E.P.T.	3.40	2.43
Paid	$1+50c.	$1+50c.
Common: None earned or paid.		

CONDENSED CONS. BALANCE SHEET

As at Sept. 30:	1944	1943
Cash & Dom. bds.	$364,181	$205,876
Life ins. c.s.v.	7,543	7,021
Accts. rec.	414,256	410,856
Inventories	574,763	661,291
Total curr. assets	1,360,743	1,285,044
Misc. assets‡	157,415	72,989
Fixed assets*†	346,965	353,960
Total assets	1,865,123	1,711,993
Accts. pay., etc.	261,579	242,931
Taxes pay.	273,399	229,692
Total curr. liab.	534,978	472,623
Reserves	280,289	269,251
Capital stock	840,000	840,000
Earned surplus‡	209,855	130,119
*After depr. of	358,125	344,039
‡Incl. refund. E.P.T.	112,580	53,856
†After deducting $150,917 surplus from appraisal of properties.		
Working capital	825,765	812,421

Donalda Pulls 2 Good Cores

Drilling is now apparently indicating further extensions to the ore body first discovered by Donalda Mines in its No. 3 drill hole.

Following relocation of this ore section in a drill hole which returned $9.50 across 20 ft., the same flatlying ore zone has apparently been picked up in a hole 200 ft. to the east which shows $11.42 for a thickness of 6.5 ft. The ore section started at footage 336.5 ft. in the hole. A further hole is now being drilled 100 ft. to the west of the first of these two holes. Trend of this ore is now thought to be to the southwest.

No. 37 hole—the furthest south—returned an intersection of $8.40 for a thickness of 8.5 ft. starting at 595 ft. This is regarded as a continuation of the same ore zone to the south with the greater depth accounted for by its southerly dip. This hole is in relatively "open country" and chances are regarded as bright for expansion of the immediate ore area indicated by this hole.

Drilling is continuing with two drills.

When the crest of the anticline where values are being found is determined with the drilling of a few more holes, it is expected that a deep drill hole will be completed to test possibilities to as great a depth as 2,000 ft. for recurrence of flatlying ore zones of the Donalda type.

NOTICE

THE BANK OF TORONTO
ANNUAL MEETING

The Annual Meeting of the shareholders will be held at the Head Office of the Bank, King & Bay Streets, Toronto, on Wednesday, the Seventeenth day of January, 1945, the chair to be taken at 11 A.M.

B. S. VANSTONE,
General Manager.

EPT Board is Reorganized Justice Hyndman, Chairman

By STAFF WRITER

OTTAWA—Mr. Justice W. H. Harrison, chairman of the EPT Board of Referees has resigned as at Jan. 1, The Financial Post is informed. He will be replaced by Mr. Justice Hyndman who recently joined the board.

In addition, at least two other members of the Board, Kenneth Dalgleish and C. P. Fell have retired from active participation in the Board's affairs but will continue as nominal members of the Board.

One or two additions to the Board will be made to replace the retiring members. One of these is K. A. Mapp, Toronto chartered accountant who was formerly a member of the Advisory Committee on Salaries Control with Mr. Justice Hyndman. It is possible also that T. N. Kirby, secretary of the Board may become a full-time member.

Retirements from the Board are in no sense due to disagreement among Mr. Justice Harrison or those who have been associated with him in this work over the past four years on government policy in respect of the affairs of the Board. As far back as a year ago, Justice Harrison suggested to the government that he would like to be relieved of the work of chairman at a later date. Meanwhile discussions have been carried on with a view to providing continuity in policy, practice and procedure.

The Board is expected to hold hearings in Toronto early in January under the new chairman, Mr. Justice Hyndman. Mr. Fell, whose home is in Toronto will sit on the Board during these hearings but will no longer participate in hearings either at Ottawa or elsewhere.

Three Quarters of a Million Owing by Instrument Firm

By STAFF WRITER

OTTAWA — A sum of close to $750,000 is said to be involved in the claim of the Government against Canadian Aircraft Instruments and Accessories, Ltd., of Leaside.

It is in connection with settlement of these outstanding claims that the Government recently appointed A. J. Andrews of Toronto as controller of the company. Mr. Andrews is a chartered accountant, member of the firm of Price, Waterhouse & Co.

Appointment of a controller is no reflection on the company's production. The company was established to manufacture aircraft instruments which had been previously made only in U. S. or elsewhere. Bernard Bercovitz, president of the company, is a European refugee who came to Canada originally at the instigation of a former official of the Government. His technical skill has been used to develop a business which has reached very substantial proportions. Much of the business developed by the company has been directly under contract with United States procurement agencies.

The appointment of a controller has been made to protect the Government in the handling of claims for refund either in the form of rebates, in overcharges, or under ceiling price contracts.

In the order-in-council appointing Mr. Andrews as controller, it is pointed out that the contract had provided that no payment on royalties or patent fees would be made by the company but that the company had included such charges in the contract price paid by the Government. Said the order: "The company has been requested to return such royalties and fees to the Receiver-General of Canada but has failed and neglected to do so."

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Aluminium Ltd. Forms New Mexican Company

From Our Own Correspondent

MONTREAL — Aluminium, Ltd., has formed, with Mexican partners, a new company under the name of Aluminio Industrial Mexicano S. A. This step is a part of plans for postwar development.

The Mexican company has acquired land near Mexico City and is proceeding with the erection of an aluminum sheet and foil plant as part of an ultimate 5,000-ton Mexican fabricating enterprise.

LIST ADDITIONAL SHARES

East Crest Oil Co. has been granted listing of an additional one million shares on the Toronto Stock Exchange, bringing total listing to four million shares.

Pandora Cadillac Gold Mines advises that all equipment is being kept in good condition to resume operations when possible. The mine was closed in September, 1943.

U.S. Okay, Rate Question Affect Union Gas Deal

Arrangement to Bring Five Billion Feet a Year From Texas Must Be Approved in Washington — Rate Boost Likely

The big deal pending between Union Gas Co. of Canada and Panhandle Eastern Pipe Line of United States whereby the Canadian company plans to import 5 billion cu. ft. of natural gas a year from the U. S. is held up awaiting official approval from Washington and rate agreements between company officials and municipalities concerned.

Gas officials in this country admit that the U. S. gas deal, if approved, would result in a rate increase to consumers but also claim that failure of the deal might necessitate a costly gas manufacturing program which would ultimately lead to even higher rate boosts. While manufactured gas might be offered at a lower rate, approximately 75c.-$1 per thousand cu. ft., natural gas even at $1-$1.10 per thousand cu. ft. would be cheaper in the long run because of its much higher B.t.u. rating — almost twice as great.

Some objection from U. S. officials might be encountered because of the length of the contract commitment (20 years). Detroit and vicinity, in particular, might feel their future gas supply jeopardized.

A large section of southern Ontario stands to benefit directly from the proposed deal, gas officials feel. When, and if, the contract becomes operative the Union Gas Co. will be importing more than 5 billion cu. ft. of natural gas a year from the American company whose main supply sources in the Texas oil fields are considered sufficient for the next 100 years. This supply combined with present supply from company's own wells and manufacturing sources will provide enough gas to meet all expected consumer demands in this area for the next 20 years, Union gas officials estimate.

In pre-war days home consumers had the preference and industries were liable to be cut off in severe weather when entire supply of gas was required for domestic purposes, including heating homes. Since the war the situation has been reversed and industry has had priority with the result that over 10 thousand homes have had their gas for central heating purposes cut off.

Union Gas officials feel that in spite of continued exploration local sources would be inadequate for peak load requirements after the war estimated at some 50 million cubic feet a day. The maximum supply available under the present conditions would be about 30 million cu. ft.

Under the new agreement purchases would be delivered to the Union Gas through eight months of the year from April to November when the American company's facilities are not fully committed to American consumers. The gas would be stored in old wells for delivery to consumers throughout the year as needed. Union Gas has not made any announcement as to price of this new gas to consumer, but has stated that the purchase price to be paid the Pipe Line plus the carrying charges on the new capital expenditures will be low enough to keep the price of natural gas on a favorable level in comparison with other fuels.

To carry out the agreement, the Union Gas will have to incur capital expenditures of about $3 millions and a large annual outlay for the gas taken under contract.

War Assets Corp. To Sell Trucks

MONTREAL — War Assets Corp., which has just completed sales in British Columbia of 1,000 motor vehicles, mostly trucks, announces that it will market during February 1,500 more Army trucks that have been in use and now are declared surplus.

The Government company will offer 1940 8-cwt. trucks at $375, delivered in Toronto, and 15-cwt. trucks at $435, delivered in Toronto. The trucks are all of General Motors and Ford manufacture and will be available, after reconditioning by dealers, to the public. A considerable number of standard station wagons, panels and pickups will be delivered at the same time. The trucks will be offered from British Columbia to Nova Scotia.

Electrolux Corp. has declared a dividend of 25c. on common, payable in U. S. currency on Jan. 30, 1945, to stock of record Dec. 30, 1944. This will be the first payment since Dec. 15, 1941, when 20c. a share in U. S. currency was distributed.

DIVIDEND NOTICES

N. SLATER COMPANY LIMITED
HAMILTON - CANADA

NOTICE IS HEREBY GIVEN that a Quarterly Dividend of Thirty Cents (30c) per share on the Common Shares of the Company was declared, payable on the first day of February to shareholders of record at the close of business on the 10th day of January.

J. G. DAVIES,
Secretary.

Hamilton, Ont.

Safeguard YOUR WAR SECURITIES with this low-cost plan

We will keep your Victory Bonds in our vaults, clip the coupons and credit the amounts to your savings account—for 10¢ per annum for each $100 of bonds, minimum charge 25¢.

We will keep your War Savings Certificates for the entire 7¼ years to maturity—for 10¢ per $5, up to $1 per $500 certificate.

If you should need cash, you can BORROW from the Bank, using your Victory Bonds as security.

BANK OF MONTREAL
FOUNDED IN 1817

A 28

DIVIDEND NOTICES

Guaranty Trust Company of Canada
QUARTERLY DIVIDEND

NOTICE is hereby given that a dividend of 1¼%, being at the rate of 5% per annum on the paid-in capital stock of the Company, has been declared for the quarter year ending Dec. 30th, 1944, payable Jan. 15th, 1945, to shareholders of record at the close of business Dec. 30th, 1944.

By Order of the Board,
J. WILSON BERRY,
General Manager

DOMINION WOOLLENS & WORSTEDS, LIMITED
Notice of Common Stock Dividend

Notice is hereby given that a dividend of Fifty Cents (50c) per share has been declared on the no par value common shares of the Company, payable quarterly during 1945, the first payment of 12½c per share being payable on the 1st day of February, 1945, to shareholders of record the 15th day of January, 1945.

By Order of the Board,
F. C. COCKBURN, Secretary.

Toronto, Ont.,
December 28, 1944.

The Sherwin-Williams Company of Canada, Limited

Notice is hereby given that a dividend of Fifteen Cents (15c) per share has been declared on the no par value Ordinary Stock of the Company, payable to shareholders of record the 10th day of January, 1945, and that cheques will be mailed on February 1, 1945.

Books not closed.

By Order of the Board.
P. W. HOLLINGWORTH,
Secretary-Treasurer.

Montreal, Quebec.
December 14, 1944.

DIVIDEND NOTICES

DIVIDEND NO. 232

The Canadian Bank of Commerce

Notice is hereby given that a dividend of fifteen cents per share, in Canadian Funds, on the paid-up capital stock of this Bank has been declared for the quarter ending 31st January, 1945, and that the same will be payable at the Bank and its Branches on and after Thursday, 1st February next, to shareholders of record at the close of business on 30th December, 1944. The Transfer Books will not be closed.

By Order of the Board.
S. M. WEDD,
General Manager.

Toronto, 20th December, 1944.

THE DOMINION BANK
DIVIDEND NO. 249

Notice is hereby given that a dividend of two per cent (twenty cents per share) upon the paid up capital stock of this Institution has been declared for the quarter ending 31st January, 1945. The dividend will be payable at the Head Office of the Bank and its Branches on and after Thursday, the first day of February, 1945, to shareholders of record of the 15th January, 1945.

By Order of the Board.
ROBERT RAE,
General Manager.

Toronto, 14th December, 1944.

Canadian Car & Foundry Company Limited
DIVIDEND NOTICE—ORDINARY STOCK

Notice is hereby given that a dividend of fifty cents (50c) per share on the paid-up Ordinary Capital Stock of the Company in respect of and out of the earnings for the year ending September 30th, 1944, has been declared, payable on the 23rd day of January, 1945, to Shareholders of record on the 27th day of December, 1944.

By Order of the Board.
A. C. BOURNE,
Secretary

Montreal, December 21st, 1944.

Water-power . . . Source of Abundant *Electricity* CAN HELP PROVIDE MAXIMUM POSTWAR EMPLOYMENT

Thanks to an abundance of water-power, Canada is a land exceptionally rich in electricity. Thanks to our great rivers and waterfalls, plentiful low-cost electric power is assured in the Dominion for years to come.

During the war years, more than one third of Canada's electric output has been supplying power for the war effort. When Victory is won and electricity can be released from this task, Canada's vast power reserves can prove an outstanding peacetime asset.

Applied to the further development of our great natural resources, electricity can make us one of the world's most-favoured lands. It can increase the efficiency of our factories, our farms, our transportation. It can bring new beauty, comfort, convenience and health to our cities and homes. It can raise our standard of living.

But, to reap the full advantage of our heritage of electric power—we must *plan* its usage now. Without slackening our war effort, we must plan ahead, to make more and more use of electricity in the promotion of maximum employment . . . in the building of a sturdy, prosperous postwar Canada.

Before and After — Illustrated to the left is a typical Canadian water-power site before and after the installation of a G-E equipped electric power station. Canadian General Electric, leader in Canadian electrification for 52 years, has played a leading part in the harnessing of Canada's abundant water-power to provide electricity for industry, agriculture, municipalities and homes.

CGE-2044

CANADIAN GENERAL ELECTRIC CO. LIMITED
HEAD OFFICE - TORONTO

How to Start Your Own Business

A Post Series of Articles on How to Succeed in "Small Business"

What Services Should I Provide?

Article XII

By ROSS BAXTER WILLIS

(R. B. Willis is acting head, Department of Business Administration, University of Western Ontario, and has been assistant director of WPTB's Management Service Division, a bureau whose chief job has been to assist the small businessman in solving wartime problems.)

(Copyright)

Customer services are those "extra, little touches" which give individuality to any retail establishment. Through them, if they are propertly conceived and executed, you can not only build goodwill, prestige and public relations, but boost your profits as well.

Bear in mind, however, that you expect to conduct your business primarily for profit, and only those services which directly or indirectly contribute to net income in your individual operation should interest you. Don't simply copy what the "Joneses" do—it is an easy way out, but may be costly. And don't forget that it is easier to add services than to curtail them.

Unfortunately, too few proprietors of retail and service establishments analyzed very seriously before 1939 what they got in return for the services they offered. Like "Topsy," the extras offered by many businesses had grown to the point where they almost overshadowed the basic merchandising function.

One enterprising druggist used to deliver every evening to a customer ten blocks from his store a 10c. package of cigarettes. A very successful laundry sent a truck once a week three miles into the country to pick up one hard collar from an important citizen—later in the week the truck went back for the family washing. Both these retailers thought conscientiously that these services had to be offered to meet competition. And these case histories were by no means extraordinary.

Check on the Essential Services

For many Canadian merchants this war has provided the first opportunity to think objectively about such things as delivery, credit, self-service, store hours, etc. Since shortages of tires, gasoline, manpower and electricity affected these services directly, drastic curtailment has taken place in the excesses of pre-war years—much of it forced by governmental regulation.

On the other hand, do we need a complete return to the "good old days?" Most consumer surveys these days do not seem to indicate any great wish on their part—someone has to pay for expenses in retailing—the consumer, the retailer or his suppliers. Naturally the customer is going to expect something more than he is currently receiving, in many cases, but he is also going to look for efficiency in distribution and be much less tolerant of waste than before.

Special services sometimes cost more than they're worth.

In planning your own business, take plenty of time to formulate your policies with reference to delivery, credit, refunds, parking, etc. Be certain that they are thought of as carefully as your policies with respect to location, price, etc. They are part of your complete operation and must be undertaken only if they add to your net profits. And set them down in the form of a basic policy—to be understood clearly by your customers and, even more important, by your staff and yourself.

Your line of business is going to have a definite bearing upon your decisions. The provision of some delivery service is almost vital if you are a furniture-store proprietor—it may be relatively unimportant if you operate a shoe store. The same is true of the other services—each trade has its own individual problems. And each establishment within that trade has its own peculiarities because of price policy, location, customers, etc.

Here are some of the services you will be called upon to consider in your planning. There are many more, but this list possibly covers the more important to you as a newcomer.

Delivery: Bear in mind that delivery expense is far from inconsiderable. A study in the United States in 1939 showed that it varied from as low as one tenth of one per cent of sales in certain trades to as high as 15% with an over-all average of more than 3%. Delivery equipment may mean, as well, tying up considerable capital and the administrative problems of controlling trucks and drivers. Before reaching a decision, seek answers to these questions:

a. How necessary are my potential customers likely to regard delivery?
b. Would they be prepared to pay separately for this service?
c. If I have to assume delivery costs, how much are they likely to be in relation to my sales?
d. Will my profit margin stand such a cost?
e. What vehicles must I purchase?
f. Can I get delivery service performed by an outside agency or by pooling with other retailers, etc.?
g. Can I get boys on bicycles on a part-time basis to do a satisfactory job?
h. How important are my delivery personnel in creating goodwill?
i. How can I curtail delivery expense through restrictions by size of purchase, frequency of delivery, area covered, etc.?
j. How can I route deliveries most economically?
k. How can I control the whole operation effectively?

$50 Sales to Balance $1 Loss

Credit and Collections: Selling on credit is designed to stimulate volume and net profit. But remember that generally you are a better retailer than you are a credit man. And that the loss on one debt may mean the profit on many dollars of future sales—in a retail grocery $1 bad debt loss may represent the net profit on $50 of cash sales.

If you decide that you have to grant credit or sell on installments, establish a definite policy and stick by it. Know what you can afford in losses—generally not more than ½ of 1% of sales. If you are courteous about it, you can be very careful in granting credit, requiring full information from those who request it.

Be prompt and firm but courteous in securing collections. Obtain advice from people who know about granting credit—your banker, a credit agency, etc., before you commence operation.

Selling on credit or on installments requires organization—just as selling or advertising. You have to decide on a policy first, even though it be flexible. Study the regulations which have been in operation during the war with regard to consumer credit, charge accounts, etc., as a guide—even though they have been lifted by the time you open your store.

Analyze the possibility of a separate charge for granting extended credit such as installment sales, if not for credit transactions. You will be very exceptional if you can sell for both cash or or time at the same price without reducing your profit or being unfair to your cash customers.

Consider using a credit bureau or agency in your investigations and collections—it may be worthwhile.

Service Within the Store: Because of the shortage of manpower since 1940, self-service, or as it may be more appropriately called, self-selection, has made phenomenal strides. The development, however, was well advanced in certain lines long before that time—particularly in the food trades.

Unfortunately, there is much confusion over the term "self-service" or "self-selection." Even in the most highly developed grocery supermarkets there is still usually limited service at the meat counter, at the coffee mill (if it exists), and frequently in the fresh fruit and vegetable department.

Self selection began long before the war.

Most independent stores which have shifted to "self-service" are really operating on a semi-self-service or self-selection plan. The proprietor and the staff are available to wait on the customers who want it.

Self-service or self-selection does not mean "cash and carry." More than one third of independent self-service grocery stores in the United States have delivery service and more than one half extend credit. But about two of every three independent stores of any size in this field in the United States have switched to self-service, or semi-self-serve.

Self-selection has spread from the food and variety field to many other lines—hardware, gift shops, even lower-priced men's and women's wear and in certain departments of the largest department stores. The new concept of accessible merchandise has been approached by some merchants simply from the standpoint of saving labor costs—a rather poor approach.

Proponents of self-selection argue that it not only cuts costs but increases sales since customers sell themselves. More customers pay cash since the method suggests it to them. Peak crowds can be accommodated easily and complaints and returns are reduced.

Before you change to self-service or self-selection, however, think very carefully about these questions:

a. How much service do my customers expect?
b. How important are labor costs in this establishment?
c. Will my volume and profits by self-selection suffer by comparison with the savings I make?
d. By adopting self-selection am I giving up the great strength of the independent operator—the personality and the interest of the proprietor?
e. Can I achieve the principle of accessible merchandise and certain economies in staff by tending toward self-selection rather than adopting it outright?

Your decision is not going to be an easy one. And an error on your part in this connection may imperil your entire future success.

Parking Lots Pay Off

Store Hours: This has been, by all odds, the most contentious subject for years in retailing. Until recently few retailers have been able to think rationally about it and every discussion has been subject to prejudice, bias and emotionalism.

Store hours in Canada have been reduced very materially since 1940—for a variety of reasons. And undoubtedly many of the changes will be permanent.

Approach the problem rationally. Remember that shorter hours make for a more contented staff, may reduce labor cost, lighting, etc., provide more time for planning, keep you and your staff busier when you are open, and hence more efficient. But they may provide greater peak loads.

In reaching a decision, put the customers' needs and interests foremost—that's why you are in business. But think it out yourself and with your fellow merchants and don't worry too much about the individualist who refuses to fall in line. Shopping is not any attraction when only one store is open.

Parking: The late twenties saw for the first time attention to the provision of automobile parking space or accommodation. Many grocery supermarkets and the Sears-Roebuck stores in the United States, far from the central shopping district, have owed much of their success to this service.

During the 30's many department stores arranged for parking facilities on their own or with outside garages and, around New York particularly, suburban branch stores were opened possessing large parking lots.

With the return of the motor car in the future, watch for developments in this connection. Plan now with some knowledge of how important parking service may be to you.

Naturally you are going to be greatly handicapped in a downtown location in providing accommodation along this line. Before you finally locate, it is going to be worthwhile to study this problem very thoroughly.

In Canada, too, with the impetus likely to be given to tourist travel in future years, the problem has an increased significance, especially if you are going to cater to that traffic.

Analyze very carefully your potential market to see the gains to be obtained from a parking lot by comparison with the extra cost you may have to incur in acquiring additional land and the loss of business you may suffer from having to locate farther out. Consider the problem from every angle before you finally locate your establishment.

INSURANCE MANAGER

D. B. Hall, F.I.I.A., appointed manager for Canada of General Accident, Fire and Life Assurance Corp., general manager of General Accident Assurance Co. of Canada and Scottish Canadian Assurance Corp.

Govt. Paint Plant New CCF Project

From Our Own Correspondent

REGINA — Plans of the Saskatchewan CCF Government to establish a paint manufacturing plant were disclosed by Reconstruction Minister J. H. Sturdy in an address to the Saskatchewan Teachers Federation here.

The product of the paint plant will be used, according to Sturdy, "to brighten about 100,000 farm buildings in the postwar period."

War veterans, Mr. Sturdy said, will be trained to use power paint spray outfits and employed to do the painting. Experiments with power sprays had disclosed that one team of three men with a power paint outfit could handle three sets of normal-sized farm buildings in one day, he said.

INVESTMENTS

Dominion of Canada, (7th Victory Loan),
3% Bonds, due February 1, 1962.
Interest payable February and August 1, in Canada.
Price: 100 and accrued interest, to yield about........3.00%

*** Victoria, B.C., City of,**
3½% Debentures, due January 2, 1959.
Interest payable January and July 2, in Canada.
Price: 98.37 and accrued interest, to yield about.....3.65%

*** Victoria, B.C., City of,**
3¾% Debentures, due January 2, 1968.
Interest payable January and July 2, in Canada.
Price: 100 and accrued interest, to yield about........3.75%

Nova Scotia Steel & Coal Co. Limited,
3½% First Mortgage Bonds, Maturing January 2, 1963.
Interest payable January and July 1, in Canada.
Callable at 100.
Price: Market and accrued interest, to yield about......3.95%

Verney Mills of Canada Limited,
5% First Mortgage Bonds, due August 1, 1959.
Interest payable February and August 1, in Canada.
Redeemable at 102½ prior to August 1, 1949.
Price: Market and accrued interest, to yield about......4.75%

Winnipeg Electric Company — Series "A".
General Mortgage 5% Bonds, Maturing January 2, 1965.
Interest payable January and July 2, in Canada.
Price: Market and accrued interest, to yield about......4.85%

** We offer these Debentures if, as and when issued, and accepted by us, subject to the favourable legal opinion of Counsel.*

Further details regarding the above securities will be sent upon request.

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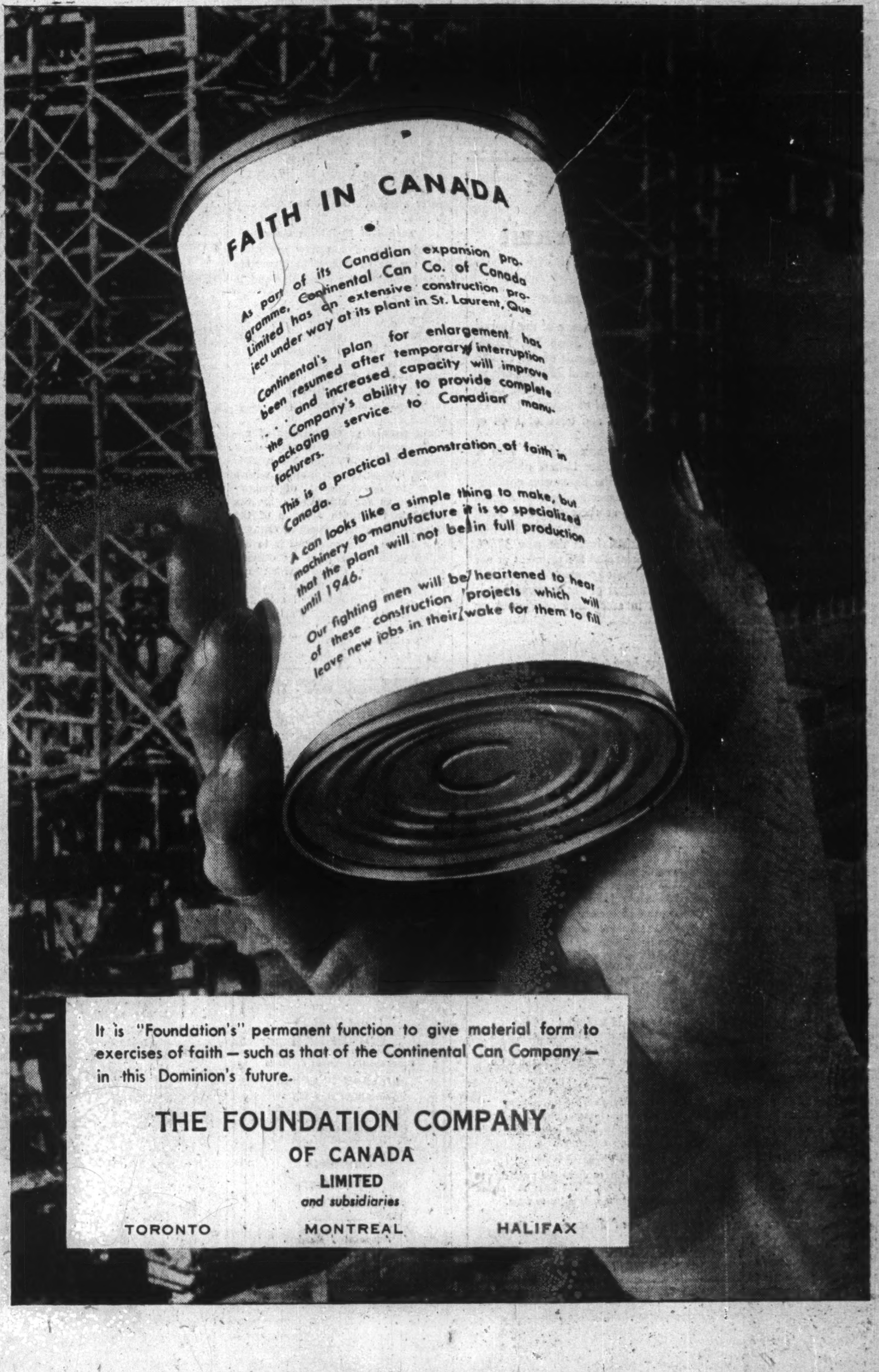

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MARKET COMMENT

New Highs For Three Averages

The Montreal utilities average and both the Montreal and Toronto industrial average were at their 1944 high at the end of the year. Strength prevailed also last week in the golds and base metals groups with their averages showing a gain for the week. Most market analysts expect a strong market for at least the first couple of months of 1945.

Volume due to the holidays was lower with 2,075,000 shares trading in Toronto and 120,200 in Montreal.

* * *

Wall Street Journal Abreast of The Market: Selectivity in securities is expected to continue to be the chief investment policy in 1945 and there was less talk of industrial reconversion as 1944 ended than there was a year ago.

By and large Wall Street is not expecting earnings for most corporations to be quite as large in 1945 as in 1944, but it is anticipating that the dividend crop will be about as large as this year.

Most of a half dozen leading brokers questioned expect the bull market to continue during 1945, but there is quite a large school of thought that anticipates a decline in the market early in the new year, partly as the result of profit taking not completed in 1944.

Brokers expect the usual "war surprises," in 1945, both good and bad, and for this reason they believe trading will remain mostly on a cash basis as during the war to date.

* * *

New Highs and Lows

During the week ending Dec. 30, there were 35 new highs recorded among the "general" stocks traded on Canadian stock exchanges and two new lows. In the mining group there were six new highs and one new low—Bankfield—registered in the week. No new highs or lows were recorded by the oil stocks.

GENERAL
New Highs—1944

Abitibi, pref. 7%	Dom. Bridge
Agnew Surpass	Dom. Malting, pf.
Algoma Steel, pf.	Hamilton Bridge
Aluminium	Hunts, A
Canada Cement	Huron & Erie
Do., pref.	Int. Metal, pref.
Can. & Dom. Sugar	Int. Paper, pref.
Can. Iron	Loblaw, B
Can. Nor. Pwr., pf.	Moore Corp.
Can. Breweries, pf.	Nat. Breweries
Can. Car, pref. old	Nat. Sewer Pipe, A
Can. Celanese, pf.	Nat. Steel Car
Can. Gen. Inv. Tr.	People's Credit S.
Cassidy's	Quebec Power
Claude Neon, pf.	Simpsons, pref.
Crown Cork & S.	Tooke Bros.
Dairy Corp., pref.	Windsor Hotel

New Lows—1944

Can. Packers A	Chas. Gurd, pref.

MINING
New Highs—1944

Bridge River Cons.	Queenston C.
Buffalo Can.	Salmon Gold
Delnite	Trans. Resources

New Lows—1944

Bankfield

New Power Over Utilities Seen in B.C. Hydro Bill

From Our Own Correspondent

VANCOUVER—Extensive power development in British Columbia is foreshadowed in legislation now being prepared for submission by the government to the legislature during the coming month.

Experts are now drafting the bill whose major purpose is said to be the provision of legislative machinery to proceed with a program of rural electrification. It is understood, however, that clauses of the proposed bill will give the government sweeping powers with respect to regulation and control of public utilities.

Commission is Likely

The bill probably will provide as well for the appointment of the three-man commission suggested some time ago by Premier John Hart. The purpose of this commission will be to study requirements for power plants and then authorize and supervise their construction. This, of course, is a part of the rural electrification plan for which the government contends there is a pressing need so as to reduce costs of production and living in the farm communities.

The government also has its eye on larger industrial development, and the bill may contain some clauses giving specific consideration to this phase. The government has control over power rights on the Campbell river and the Chilko as well as on many lesser streams, and there have been applications from private interests for the development of both. None of the proposals, however, has favorably impressed the government.

The government recently announced that it was committed to a policy that would prevent private interests from acquiring power rights and holding them indefinitely.

Some years ago the rights to Campbell River were held by B. C. Electric Railway in consideration of the payment of an annual fee of nominal amount, but this was subsequently discontinued. Last summer the Adams River Development Co. sought a renewal of its rights to power on the Adams river, and this, too, was turned down, although in this connection the government acted largely in response to the plea of fishing interests that the dam was a potential threat to spawning salmon in the Fraser river basin.

Regarding the suggested acquisition of the B. C. Electric Railway's properties, experts are to make a survey of the whole situation and report to the government and the municipalities involved. Even should the experts recommend that the government take over the utility, including buses, street cars, gas and electric facilities, no action would be taken until the whole scheme had been ratified by a vote of the people.

Seen Moving Warily

The government is moving warily in the public utility controversy and is not to be stampeded into an experiment in public ownership until and unless it is sure that its policy is backed by a majority of voters.

Although the coalition government headed by Premier Hart has two more years, it would not surprise many people if, in the event of a favorable recommendation for acquisition of the B. C. Electric, the government went to the country sometime during the coming summer or fall, with public ownership of utilities as the major campaign issue.

Canadian Radio Experts In New Technical Board

From Our Own Correspondent

MONTREAL — To assure that Canada will be in the forefront after the war in the development and use of latest discoveries in the field of electronics (television, F.M, etc.), various Canadian organizations interested in communications, the radio industry and allied work have united to form a central committee or group, to be known as the Canadian Radio Technical Planning Board. R. M. Brophy of Montreal, general manager of Canadian Marconi Co., has been elected chairman of the new board, and offices have been opened at 159 Bay St. in Toronto.

Sponsors of the new central board include: the Institute of Radio Engineers, the Telephone Association of Canada, the Railway Association of Canada, Canadian Electrical Manufacturers Association, Canadian Broadcasting Corp., Radio Manufacturers Association of Canada, Canadian Association of Broadcasters, American Radio Relay League (Canadian Section), while several other associations also are expected to join.

Technical Problems Only

Objectives of the new organization are stated to be: "to formulate sound engineering principles and to organize technical facts which will assist in the development, in accordance with the public interest, of the Canadian radio industry and radio services of the nation, and to advise Government, industry and the people of its findings and recommendations. Such activities shall be restricted to engineering considerations."

Six panels, or committees of experts, have been set up, and these groups will report to the central board, through co-ordinators, with a view to development of recommendations for submission by the board to the radio division of the Department of Transport at Ottawa. One of the main purposes is to develop data to be used by Canada when various nations work out frequencies in the radio spectrum which has been widened considerably as the result of wartime research.

"The board's activities," Mr. Brophy says, "will be directed in considerable measure to ensuring that Canada is allocated all of the frequencies necessary so that in the postwar era she will not only enjoy to the full both long wave and short wave broadcasting but also such advances as FM and television."

Officers of the new board are: president, R. M. Brophy; vice-president, R. A. Hackbusch; secretary-treasurer, W. W. Richardson; A. B. Oxley, general co-ordinator, and G. W. Olive and G. J. Irwin, other co-ordinators.

The six panels created, each with a specific engineering objective are:

A—spectrum utilization and frequency allocation—chairman, L. S. Payne; vice-chairman, K. S. McKinnon.

B—standard broadcasting (A.M.) and international short-wave broadcasting—chairman, J. B. Knox; vice-chairman, E. Farmer.

C—radio communication including point-to-point, portable, mobile and emergency service communication (other than broadcasting)—chairman, S. Sillitoe; vice-chairman, Dr. F. S. Howes.

D—F. M. broadcasting, facsimile, relay systems and television—chairman, A. B. Oxley; vice-chairman, J. R. Bain.

E—aeronautical radio and radio aids to navigation—chairman, S. S. Stevens; vice-chairman, A. B. Hunt.

F—industrial, scientific and medical—chairman, Dr. A. Frigon; vice-chairman, Dr. J. M. Thomson.

Mrs. M. B. Frazer, Managing Director of M.C.C. Schools Ltd., Winnipeg, tells us:

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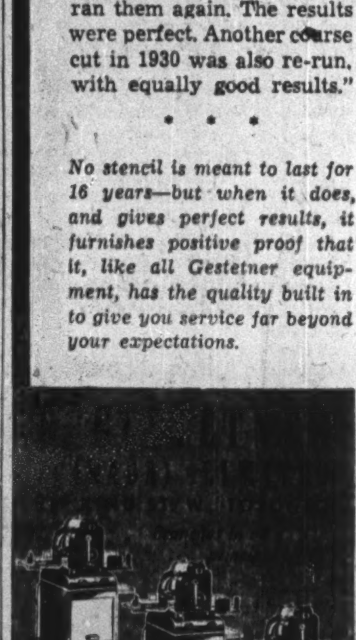

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This announcement is not an offer of securities for sale or a solicitation of an offer to buy securities.

United States of Brazil

(Estados Unidos do Brasil)

To Holders of Dollar Bonds

NOTICE IS HEREBY GIVEN that the Minister of Finance of the United States of Brazil has extended to and including **June 30, 1945**, the period within which the holders of Dollar Bonds of the United States of Brazil, its States (other than Ceara) and Municipalities, may elect to accept either Plan A or Plan B set forth in the Offer to Holders of Dollar Bonds heretofore made as of January 1, 1944, pursuant to Decree-Laws Nos. 6019 of 1943 and 6410 of 1944 of the said United States of Brazil.

Bonds forwarded to the Special Agents in acceptance of Plan A or Plan B must be accompanied by appropriate Letters of Transmittal. Letters of Transmittal and copies of the Prospectus containing the Offer may be obtained from the respective Special Agents of the Government for the several issues at their offices in New York City.

Coupons due December 1, 1944 detached from the new 3¾% External Dollar Bonds of 1944 may be presented for payment at the offices of the respective Special Agents without Letters of Transmittal.

Current interest cannot be paid to holders of the original bonds until such bonds have been presented in acceptance of Plan A or Plan B under the terms of the Offer.

Title of Issues	*Special Agents*
U. S. of Brazil 8% of 1921	Dillon, Read & Co.
U. S. of Brazil 7% of 1922	Dillon, Read & Co.
U. S. of Brazil 6½% of 1926	Dillon, Read & Co.
U. S. of Brazil 6½% of 1927	Dillon, Read & Co.
U. S. of Brazil 5% of 1931	Dillon, Read & Co.
State of San Paulo 7% of 1930 (Coffee Realization)	Schroder Trust Company
State of San Paulo 8% of 1921	J. Henry Schroder Banking Corporation
State of San Paulo 8% of 1925	J. Henry Schroder Banking Corporation
State of San Paulo 7% of 1926	J. Henry Schroder Banking Corporation
State of San Paulo 6% of 1928	J. Henry Schroder Banking Corporation
State of Rio Grande do Sul 8% of 1921	Ladenburg, Thalmann & Co.
State of Rio Grande do Sul 7% of 1926	Ladenburg, Thalmann & Co.
State of Rio Grande do Sul 7% of 1927	The Chase National Bank of the City of New York
State of Rio Grande do Sul 6% of 1928	White, Weld & Co.
State of Minas Geraes 6½% of 1928	The National City Bank of New York
State of Minas Geraes 6½% of 1929	The National City Bank of New York
State of Maranhao 7% of 1928	Bankers Trust Company
State of Pernambuco 7% of 1927	White, Weld & Co.
State of Rio de Janeiro 6½% of 1929	City Bank Farmers Trust Company
State of Parana 7% of 1928	The Chase National Bank of the City of New York
State of Santa Catharina 8% of 1922	Halsey, Stuart & Co. Inc.
City of Rio de Janeiro 8% of 1921 (Federal District)	Dillon, Read & Co.
City of Rio de Janeiro 6½% of 1928 (Federal District)	White, Weld & Co. and Brown Brothers Harriman & Co.
City of Rio de Janeiro 6% of 1928 (Federal District)	White, Weld & Co. and Brown Brothers Harriman & Co.
City of Sao Paulo 6% of 1919	The Chase National Bank of the City of New York
City of Sao Paulo 8% of 1922	City Bank Farmers Trust Company
City of Sao Paulo 6½% of 1927	First of Boston International Corporation
City of Porto Alegre 8% of 1922	Ladenburg, Thalmann & Co.
City of Porto Alegre 7½% of 1926	Ladenburg, Thalmann & Co.
City of Porto Alegre 7% of 1928	Ladenburg, Thalmann & Co.

The Government has appointed Dillon, Read & Co. to make the payments to the holders of the State of Ceara 8% Bonds of 1922. The offer to redeem such bonds at 12% of their principal amount is not limited as to time.

For the United States of Brazil
ROMERO ESTELLITA,
Delegate of the Brazilian Treasury in New York

New York, December 27, 1944.

Builders Meet In Quebec City

CCA National Sessions Will Advance Plans for Big Postwar Program

Further proposals for the construction industry's role in making Canada depression-proof are to get closest attention of several hundred delegates to the 27th national general meeting of the Canadian Construction Association in Quebec Jan. 15-17. Herbert C. Nicholls, Toronto, is president.

The construction industry, its billion dollar war building job virtually finished, its reconversion delayed by shortage of labor and certain key materials, foresees some new difficulties in manning and supplying any sudden, large-scale program of housing, building and public works construction that may be rushed to the fore to take up the slack in employment at war's end in Europe.

The aim now, industry leaders tell The Financial Post, is to finalize arrangements for the co-operation of contractors, manufacturers and suppliers with the three levels of government under Department of Reconstruction guidance.

Provinc. Bank Assets Higher

**Deposits Up Substantially
Liquid Position Strong
Current Loans Show Gain**

Substantial increases in assets and deposits are shown in the annual statement of the Provincial Bank of Canada for the year ended Nov. 30, 1944.

Net earnings before taxes were $464,908 up over $9,000 from the previous year. Taxes and premises write-off were heavier than in 1943 and after deducting these, net profits were equal to 52 cents a share on the new $10 par value stock, compared with 0.525 on the same basis in the previous year.

All the banks in Canada, on Sept. 1, in compliance with the revised bank act, subdivided their $100 par value shares, on the basis of 10 for one, the new shares having a par value of $10.

Important items from the profit and loss statement follow.

INCOME ACCOUNT

Years Ended Nov. 30:	1944	1943
Net earnings	$464,908	$455,760
Less: Res. for taxes‡	181,366	175,691
Net profit	283,542	280,069
Less: Dividends	200,000	200,000
W/o bank premises	75,000	70,000
Surplus for year	8,542	10,069
‡Inc. refund. E.P.T.	10,434	8,935
Earnings per Share and Dividend Record:		
Earned†	$0.71	*$7.00
Earned‡	0.52	*5.25
Paid	5%	5%

†Before (‡after) amount w/o bank premises.
*Before 10-for-1 share subdivision.

Total assets are shown at almost $112 millions, up $19.4 millions from the previous year. Quickly realizable assets were more than $93 millions and equal to 87% of liabilities to the public compared with 85.70% in the year preceding. Investments include $30 millions of securities of the Dominion and provincial governments etc. maturing within two years, and $27.7 millions of longer term.

Contrary to the trend noticeable in recent months, among the banks generally, current loans in Canada show a moderate gain. Noninterest bearing public deposits were practically unchanged but interest-bearing deposits were up about $15 millions.

CONDENSED STATEMENT

As at Nov. 30:	1944	1943
Cash on hand	$19,521,384	$6,885,200
Dep. Bk. of Can.		5,997,005
Dep. other banks		1,034,979
Call and sh. loans	5,374,267	4,137,568
Dom. & prov. sec.*	57,878,158	47,080,352
Other securities*	10,794,931	9,533,444
Total quick assets	93,568,740	74,668,548
Loans and discounts	15,655,883	14,953,495
Bank premises	1,769,780	2,015,969
Letters of credit	192,717	63,975
Other assets	652,836	697,704
Total assets	111,839,956	92,399,691
Circulation	854,581	1,348,913
Dom. prov. depos.	13,239,345	8,542,073
Pub. non-int. bear. dep.	20,879,422	20,781,600
Pub. int. bear. deps.	71,369,355	56,316,870
Due to banks	40,603	47,782
Letters of credit	172,412	63,976
Other liabilities		22,781
Total liabs. to pub.	106,555,718	87,123,995
Dividends, etc.	53,851	53,851
Reserve	1,000,000	1,000,000
Capital	4,000,000	4,000,000
Surplus‡	230,387	221,845
Total liabs. to sh.	5,284,238	5,275,696
‡Incl. ref. EPT of	10,434	13,520

*At not exceeding market value.

Ontario Hydro Load Up 3.9%

Total primary load demand for November on the Southern Ontario and Thunder Bay systems and Northern Ontario Properties exceeded that for the corresponding month last year by more than 87,000 horsepower or almost 4 per cent, according to the monthly load summary just released by The Hydro-Electric Power Commission of Ontario.

The largest percentage increase in primary load was shown in the Thunder Bay system where it increased from 108,338 horsepower in November 1943, to 126,206 horsepower in the corresponding month in 1944, due chiefly to the activities at Steep Rock Gold Mines.

Complete primary and secondary load tabulations are as follows:

Maximum 20-Minute Peak H.P.

	Nov., 1944	Nov., 1943	% Incr.
Primary Loads:			
South. Ont.	2,023,110	1,959,945	+3.2
Thunder Bay	126,206	108,338	+16.5
Nor. Ont. Prop.	198,139	192,124	+3.1
Total	2,347,455	2,260,407	+3.9
Primary & Secondary Loads:			
South. Ont.	2,100,992	2,054,008	+2.3
Thunder Bay	134,450	131,247	+2.4
Nor. Ont. Prop.	266,102	253,786	+4.9
Total	2,501,544	2,439,041	+2.6

Ogilvie Flour Buys Land For Plant In Toronto

Ogilvie Flour Mills Co. is reported buying Toronto harbor land at Fleet St. and Queen's Quay on which to build a single-story, 18,000 sq. ft. building for bagging operations, warehousing and district offices. It will be Ogilvie's first Toronto plant; elsewhere in Canada the company operates mills with combined daily capacity of 50,000 bags of flour, feed and cereals, and elevators with an aggregate capacity of 14 million bushels.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government.

Belding-Corticelli Ltd. — W. G. Hicks, assistant general manager.

National Selective Service—B. F. Wood, associate director and assistant to the deputy minister of labor.

Quebec Wholesale Lumber Assoc.—A. Lalonde, president; L. J. Bromley, vice-president; Henri Auger, R. Bock, J. E. Green, R. H. Robinson, L. S. Rolland, directors.

Dominion Rubber Co.—C. C. Thackray, executive vice-president.

B. C. Electric Railway Co.—G. S. Dawson, gas sales manager.

Can. Aircraft Instruments & Accessories Ltd.—A. J. Andrews, controller for the Munitions & Supply Dept.

Montreal City & District Savings Bank—Hon. Henri Groulx, director.

Institute of Accredited Public Accountants (Montreal)—Saul Shepard, chairman.

Agnew-Surpass Shoe Stores—R. F. Whitby, Niagara Peninsula supervisor.

Beatty Bros. Ltd.—C. C. Calvin, a director.

Burlington Steel Co.—C. W. Gale, assistant sales manager; H. W. Hinman, manager of tubing sales; C. A. Cline, manager of reinforcing steel sales.

Scythes & Co. — R. L. Scythes (vice-president), general sales manager, head office, Toronto.

Gen. Accident, Fire & Life Assurance Corp.—Douglas B. Hall, manager for Canada; Geoffrey J. Malcolm, assistant manager. Mr. Hall also becomes general manager of General Accident Assurance Co. of Canada, and of the Scottish Canadian Assurance Corp.; Mr. Malcolm assistant manager and secretary.

London Free Press Printing Co.—Walter E. Gunn, vice-president, secretary and a director.

Elliott-Haynes Ltd.—Matthew N. Chappell, Ph.D., New York, consulting vice-president.

Guarantee Co. of North America—G. Blair Gordon, as a director.

Sherwin-Williams Co. of Canada, Ltd.—A. W. Steudel, chairman of the board.

Montreal Coke & Manufacturing Co.—Stanley N. Brown and D. M. Rugg, both of Pittsburgh, as directors.

Imperial Life Assurance Co.—J. M. Pauline, secretary; W. F. Langford, associate secretary.

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The partnership formerly carried on under the name of

EARL M. ROBERTSON & CO.

was terminated on the 31st day of December, 1944, owing to the retirement of Mr. Earl M. Robertson. From that date the business will be continued by his former partners under the firm name of

S. J. BROOKS & COMPANY

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INTERNATIONAL PAINTS (CANADA) LIMITED

and Subsidiary Companies

Consolidated Balance Sheet—September 30, 1944

ASSETS

Current Assets:			
Cash in Bank and on hand	$239,131.10		
Dominion of Canada Bonds at par	125,000.00		
Accounts Receivable, less Reserve of $31,000.00 for Bad and Doubtful Accounts	414,286.39		
Surrender Value of Life Insurance Policies	7,543.20		
Physical Inventory, as certified by the Management, valued in respect of Raw Materials and Supplies at the lower of cost or market, and as to Goods in Process and Manufactured Stock at Standard Costs, estimated by the Management	574,781.99	$1,360,742.68	
Miscellaneous Investments at Cost, Less Reserve of $25,000.00		1,451.00	
Refundable Portion of Excess Profits Tax		112,580.18	
Prepaid Insurance, Taxes etc.		20,384.34	
Property Assets:			
Carried at appraisal at February 29, 1940, by Canadian Appraisal Company Limited, plus subsequent additions (net)		$856,006.54	
Deduct: Reserve for Depreciation adjusted to amount shown by above Appraisal, plus subsequent additions (net)	$358,124.67		
Surplus arising from Appraisal of Properties	150,916.75	509,041.42	346,965.12
Trade Marks, Patents, Formulae and Goodwill:			
Balance, September 30, 1943		$30,000.00	
Less: Written off during year		7,000.00	23,000.00
			$1,865,123.32

LIABILITIES

Current Liabilities:			
Accounts Payable and Accrued Liabilities		$261,573.90	
Reserve for Income and Excess Profits Taxes	$368,285.65		
Less: Instalment Payments	125,880.00	242,405.65	
Other Taxes		30,993.85	$534,973.40
General Reserve			193,294.46
Reserve for Future Depreciation in Inventory Values			87,000.00
Capital Stock and Surplus:			
5% Cumulative Participating Preferred Stock — Authorized and Issued—42,000 shares of $20.00 each		$840,000.00	
Note: Dividends aggregating $4.50 per share have accumulated on the Preferred Shares, of which $2.00 has since been declared payable on January 12, 1945. When all arrears of dividends have been fully paid up, the dividend rate will increase to 6%.			
Common Shares: Authorized and Issued—			
Class "A" — 20,860 shares without par value	$104,300.00		
Class "B" — 7,140 shares without par value	35,700.00		
	$140,000.00		
of which the total amount was attributed to Surplus and applied by the Directors to write down Goodwill, etc.	140,000.00		
Earned Surplus: Balance, per statement attached		97,275.28	
Deferred Surplus: Refundable portion of Excess Profits Tax		112,580.18	1,049,855.46
			$1,865,123.32

Approved on Behalf of the Board:
J. EDOUARD LABELLE, Director.
J. H. DAVEY, Director.

Submitted, with our Report to the Shareholders,
Dated December 9, 1944.
PRICE, WATERHOUSE & CO. Auditors.

Consolidated Statement of Profit and Loss and Earned Surplus for the Year Ending September 30, 1944.

Profit from Operations, before provision for the undernoted items		$536,366.92
Miscellaneous Income		3,147.60
		$539,514.52
Directors' Fees	$1,920.00	
Executive Salaries	32,374.43	
Legal Fees	1,369.85	
Pension Fund Contribution	16,971.16	52,635.44
		$486,879.08
Provision for Depreciation	$14,167.61	
Provision for Income and Excess Profits Taxes, including $58,728.50 refundable portion of Excess Profits Tax	370,672.87	384,840.48
		$102,038.60
Transferred to General Reserve	$11,038.60	
Written off Goodwill	7,000.00	18,038.60
		$84,000.00
Earned Surplus, Balance September 30, 1943		76,263.28
		$160,263.28
Dividend paid on Preferred Stock on January 12, 1944		62,988.00
Balance Earned Surplus, September 30, 1944		$97,275.28

AUDITOR'S REPORT TO THE SHAREHOLDERS:

We have made an examination of the books and accounts of International Paints (Canada) Limited and its Subsidiary Companies for the year ending September 30, 1944, with the exception of Stewart & Wood Limited, in respect of which we have accepted accounts audited by another firm of Chartered Accountants. We have received all the information and explanations which we have required, and we report that, in our opinion, the attached Consolidated Balance Sheet at September 30, 1944, is properly drawn up so as to show a true and correct view of the state of the combined affairs of International Paints (Canada) Limited and its Subsidiary Companies at that date, according to the best of our information and the explanations given to us, and as shown by the books of the Companies which we have examined and by the audited accounts of Stewart & Wood Limited.

PRICE, WATERHOUSE & CO., Auditors.

Montreal, Que., December 9, 1944.

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Canadian Foreign Investment Corp., has declared an extra dividend of 50c. in addition to regular quarterly of 50c., both payable April 2 to stock of record March 1.

Notice of Redemption

CITY OF ST. JOHN'S, NEWFOUNDLAND

6% 15-Year Sinking Fund Bonds Maturing February 1, 1947

Notice is hereby given that pursuant to the terms of the Act 22, Geo. V (1932) Chapter Five and of the Prospectus of Issue of the Bonds, the Montreal Trust Company, Trustee of the Sinking Fund, has drawn for redemption the bonds hereunder listed, to the capital par value of $90,000, and that the said listed bonds will be redeemed on the First day of February, 1945, at par, with accrued interest on the principal thereof to the First day of February, 1945, at any of the principal offices of The Royal Bank of Canada in the cities of St. John's (Newfoundland), Montreal or Toronto (Canada), upon surrender of said bonds with coupons due on the First day of February, 1945, and with all subsequent coupons appertaining thereto, at any of the said offices on said date.

Holders of bonds are required to present their bonds and coupons as aforesaid for redemption at one of the said offices on the said date; and in case such presentation be not made on the said date all interest on such bonds shall cease from and after the said First day of February, 1945.

Numbers and Denominations of Bonds to be Redeemed:

SERIES A—$1,000 Denomination

[illegible], 15, 25, 34, 37, 38, 55, 69, 73, 84, 85, 92, 102, 105, 108, 109, 112, 116, 120, 126, 127, 138, 144, 151, 152, 154, 159, 169, 170, 179, 184, 192, 204, 207, 224, 235, 240, 241, 244, 246, 255, 256, 274, 282, 283, 284, 290, 299.

SERIES B—$500 Denomination

[illegible], 14, 25, 27, 28, 33, 34, 39, 42, 52, 54, 55, [illegible], 72, 74, 75, 82, 84, 93, 94, 96, 98, 99, 101, 102, 103, 105, 110, 114, 115, 122, 124, 128, 129, 132, 139, 140, 141, 150, 151, 155, 166, 178, [illegible], 182, 183, 185, 190, 192, 200, 204, 209, [illegible], 233, 239, 240, 245.

SERIES C—$100 Denomination

[illegible], 15, 29, 40, 42, 46, 61, 65, 69, 72, 83, 87, [illegible], 92, 96, 101, 105, 107, 111, 117, 121, 122, [illegible], 126, 127, 132, 139, 142, 146, 147, 151, [illegible], 161, 162, 166, 167, 171, 173, 175, 183, 185, [illegible], 201, 202, 207, 210, 214, 216, 217, 220, [illegible], 224, 226, 228, 241, 242, 245, 250, 254, [illegible], 272, 275, 278, 309, 316, 320, 324, 325, [illegible], 340, 343, 354, 358, 382, 385, 392, 394, [illegible], 402, 412, 415, 417, 449, 450, [illegible], 460, [illegible], 463, 468, 469, 478, 480, 489, 494, 495, [illegible], 503, 506, 507, 508, 509, 518, 524, 526, [illegible], 534, 540, 547, 552, 553, 559, 561, 577, [illegible], 589, 594, 612, 619, 623, 624, 628, 629, [illegible], 635, 640, 668, 670, 672, 674, 685, 703, [illegible], 729, 734, 740.

Dated the 19th day of December, 1944.

MONTREAL TRUST COMPANY, Trustee.

INVESTMENTS THIS WEEK

Brokers See Increase In Abitibi 7% Preferred

Abitibi 7% preferred stock sold at its all time high price of $146¾ per share last week upon reports that unanimity was reached by representatives of all securities of the company toward a suggested amendment to the Hughes Committee Report. Some quarters are predicting further price advance.

The amendment provides for the 7% preferred shareholders to receive five new $20 par value preferred shares cumulative from Jan. 1, 1945, instead of four $20 par shares which were to be cumulative from Jan. 1, 1947. The dividend rate of $2.50 per share and callable price of $37.50 per share remain unchanged. It is expected that a supplementary report will be forwarded shortly to Premier Drew by the Hughes Committee.

There is considerable market interest in how high the 7% preferred stock might sell. Arnold Plaxton of Plaxton, McDonnell & Co. points out that the new $2.50 preferred at a call price of $37.50 would yield 6.67% whch is a fairly good rate of return—that as the issue is relatively small and has priority over the 6% preferred its dividend requirements should be well covered—that the dividend is now cumulative from Jan. 1, 1945—that it does not seem likely that it will be called for redemption for a few years at least. He recognizes that the premium over par would be taxable but feels that, as normally the stock would tend to be accumulated by investors not subject to high tax rates, the market would disregard the tax liability factor, hence that the present stock is probably worth $187.50—equivalent to the call price on five new shares.

Other dealers have suggested as high as $200 for the 7% preferred which is based on the call price of $37.50 plus one year's dividend of $2.50 for each of the five new preferred shares.

* * *

Abitibi Bondholders

Whether the interest amount included in the Dec. 30, 1944, payment on the Abitibi 5% bonds would be considered as 1944 or as 1945 taxable income has been a matter of considerable speculation. Contrary to reports which have appeared in the daily papers, The Financial Post is informed by Dominion income tax department officials that as the cheques were mailed to bondholders in 1944, the interest portion of the cheques will be considered as 1944 income no matter when the cheques are cashed.

The Dec. 30, 1944, payment was for $166.50 per $1,000 of bonds of which $102.32 is interest and $64.18 is principal.

* * *

Alberta Bonds

Some further strength in Alberta bonds has been apparent in the last two weeks, although the interest comes mainly from the New York market, according to dealers. Quotes are up from $1 to $2 in the period. Alberta 4½'s of 1956 are around $93½ to $95½ as compared with $93½ to $94 about two weeks ago, 4's of 1954 are about $91 to $92 as against $88 to $90, 5½'s of 1952 about $94½ to $96½ as against $93 to $95 and 6's of 1947 are $92 to $94 as compared with $91 to $93. Prices of a couple of weeks ago in turn were $2 to $3 higher than those of about a month earlier.

Alberta citizens generally are thought to be anxious to obtain some settlement of this debt and consequently it is felt in some quarters that the Government may be more willing to negotiate with the bondholders. Renewed interest in this situation and thought that the refunding question may be settled in 1945 are said to be reasons for the better prices.

However, the Alberta Bondholders Protective Committee have not been approached by the Alberta Government according to advice received by The Financial Post.

British firm desires to license or sell Canadian Patent numbered 348,512, dated 26th February, 1935, relating to Spring Weighing Appliance. For information concerning this patent write

Ernest E. Carver, 789 W. Pender St., Vancouver, B.C.

PLAN AHEAD

The government of Canada has announced plans to finance much of the war expenditure out of current revenue. War taxes of various sorts are being imposed. To meet them the first step is to save systematically. Open an account with this Corporation and be ready when the government calls.

2% on Savings—Safety Deposit Boxes $3 and up —Mortgage Loans.

CANADA PERMANENT Mortgage Corporation

Head Office, 320 Bay St., Toronto

Assets Exceed $61,000,000.

LOCAL MANAGER

Gordon F. Harkness becomes manager in Toronto of the Montreal Trust Co. Mr. Harkness has been with Montreal Trust in Toronto for 25 years.

Quebec Sells Refund Issue

From Our Own Correspondent

MONTREAL — An issue of $22,970,000 Province of Quebec 3% 15-year bonds was offered this week at 99¼, to yield over 3.06%, by a syndicate headed by the Bank of Montreal. The bonds are dated Nov. 1, 1944, and will mature Nov. 1, 1959, but will be callable at par on and after Nov. 1, 1957.

Proceeds are to be used to refund on a permanent basis loans which matured in 1944 and were taken care of temporarily by short-term financing with the banks. These maturities included: $10,000,000 on March 15, 1944; $12,000,000 on Nov. 1, and $1,970,000 on Nov. 15, or total of $23,970,000. The difference between this total and amount of the new issue—$1 million—has been provided for through operation of sinking fund.

'DOMINION' Envelopes OF EVERY DESCRIPTION

DOMINION ENVELOPE CO. LTD. TORONTO PHONE EL.7271

BRANCHES MONTREAL WINNIPEG

Managed Investment

MacNab Fund Acquires Bank and Paper Stocks

The Financial Post assumes no responsibility for the specific buy and sell recommendations reported here. The changes and reasons for them are made entirely on the responsibility of two outstanding investment managers who have undertaken management of two hypothetical investment funds, the operations of which are reported for readers of The Financial Post.

The buying and selling of an individual security for one of these funds does not, and should not, be interpreted as indicating the wisdom of any individual taking similar action. What is wise for one individual in certain economic circumstances and with a certain list of securities may be entirely unwise for another individual.

Purpose of this continuing feature is to illustrate by actual example, the principles of sound investing based on experience, knowledge and constant attention.

Herewith The Financial Post publishes the second operation of the hypothetical MacNab Account, which is being managed under conditions outlined previously in The Post.

MacNab's manager continues his policy of reducing the number of stocks held in the portfolio. In addition he establishes a "reserve fund" for contingencies which he temporarily invests in a $1,000 Canada Seventh Victory Loan bond.

The McNab Fund Transactions

SOLD:

No. of Shares	Security	Sales Price $	*Proceeds $	Inc. $
20	Fraser Cos. com.	35.00	693.20	14.00
10	Abitibi 6% pf.	47.00	466.60	...
200	Anglo-Can. Oils	0.73	143.20	10.00
100	Waite Amulet	4.65	457.00	80.00
	Total		1,760.00	104.00
	Cash used		544.10	
			2,304.00	

*After brokerage and taxes.

PURCHASED:

Security	Cost Price $	Gross Cost $	Inc. $
$1000 Canada 3% 1959/62	100.00	1,004.60	30.00
50 shs. Royal Bank com.	15.00	762.50	30.00
15 sh. Price Bros. com.	35.50	537.00	22.50
Total		2,304.10	82.50
Profit on sales			$125.00
Indicated annual income reduction			$ 21.50

Reasons for Changes

As stated in my initial survey of your investment portfolio, it will be my intention to eliminate a number of stocks from your account as you have too many to watch for the amount of capital invested.

With this in mind, I am selling several stocks, some of which will net you a profit and others which I do not consider belong in the list which is being operated for maximum income consistent with security. Obviously, some stocks pay a high return owing to the speculative nature of the undertaking, such as mining and oil in which depletion of assets is constantly taking place.

Seasoned industrial stocks in companies of proved worth and sound management, may be purchased for your account as a hedge against inflation and to provide a larger yield than could be otherwise obtained from bonds.

It must constantly be kept in mind, that in the operation of this account, the desire for a better than average return should not outweigh consideration of the security of your capital. For this reason you will note that at the sacrifice of income, the following recommendations will improve your security and in addition to reducing the number of individual stocks, a reserve fund for contingencies is created which will be temporarily invested in a $1,000 Dominion of Canada victory loan bond.

The McNab Fund Now Stands

No. of Shares	Security	Cost per share $	Current Market per share $
10	Cons. M. & S. of Can.	50	49
25	Laura Secord	16	16
15	Distillers-Seagrams	39	41½
8	Can. Malting	50	48½
14	Nat. Grocers	12½	12½
5	Bell Telephone of C.	160	162
5	Moore	57	60
20	Building Products	19	18
10	B. C. Power "A"	19½	20¼
15	Asbestos	21	21¼
10	B. C. Packers	24¼	25
20	Ford of Can. "A"	25¾	24⅞
25	Nat. Steel Car	18¾	19¼
15	Price Bros.	35½	34
50	Royal Bank	15	15
25	Hollinger	10	10
50	Bralorne	14⅛	14⅜
10	Massey-Harris—$1.25 pfd.	21½	22¼
10	Winnipeg Elec.—5% pfd.	66½	68
10	Federal Grain—6½ pfd.	60	66
25	C.P.R.—com.	12	12¾
Bonds			
$1000	Canada	100	100
	Cash		$65.00
	Current market value		$10,470.50

Mtl. Stock Trading More Active in 1944

From Our Own Correspondent

MONTREAL—Trading volume in the industrial section of the Montreal Stock Exchange and Montreal Curb Market during 1944 totalled 6,380,269 shares compared with 5,819,600 shares in 1943 and the highest total since 1939. Mining volume for 1944 totalled 7,176,187 shares against 4,260,634 in 1943. Combined totals amounted to 13,556,456 against 10,080,234.

December trading in industrials totalled 760,641 shares against 419,932 shares in November, 341,216 in Dec., 1943, and highest monthly total since last June. Mining volume in December was 426,111 shares against 548,227 shares month before and 196,226 shares year before.

VICTORY LOAN BONDS

BELL, GOUINLOCK & CO. LIMITED

MONTREAL TORONTO WINNIPEG

VICTORY BONDS

... Backed by All the Resources of Canada

Peaker, Trent & Bunting

MEMBERS THE TORONTO STOCK EXCHANGE

STOCKS — BONDS

DOMINION BANK BUILDING, TORONTO ELgin 3293

C. H. PEAKER SEYMOUR TRENT ALFRED BUNTING

We wish to announce the change in name of this firm, effective January 1, 1945, from

Dyment, Anderson & Co.

to

Anderson & Company

The personnel remains unchanged.

ANDERSON & COMPANY

Dominion Bank Building — Toronto 1

A. L. Anderson A. L. Howard B. H. Mason

NEW ISSUE (Refunding)

$22,970,000

Province of Quebec

3% Sinking Fund Debentures

To be dated November 1st, 1944 — To mature November 1st, 1959
(Callable on or after November 1st, 1957)

Principal and half-yearly interest (May 1st and November 1st) payable in lawful money of Canada in the Cities of Quebec, Montreal, Toronto, Winnipeg or Vancouver, at the holder's option. Coupon debentures in the denominations of $1,000, $500 and $100. Debentures may be registered as to principal only. These debentures will be subject to redemption at the option of the Province as a whole but not in part at 100% of the principal amount and accrued interest on November 1st, 1957, or on any subsequent interest payment date on at least sixty days' notice.

Legal Opinion: Messrs. Heward, Holden, Hutchison, Cliff, Meredith & Collins.

In the opinion of Counsel, these debentures will be direct obligations of the Province of Quebec, and will be a charge as to principal and interest upon the Consolidated Revenue Fund of the Province. This issue is being made to renew and refund temporary loans of the Province aggregating $22,970,000 effected for the purpose of renewing temporarily a loan of $10,000,000 (less accumulated Sinking Fund of $350,000), a loan of $12,000,000 (less accumulated Sinking Fund of $650,000) and a loan of $1,970,000, which said three loans matured on March 15th, 1944, November 1st, 1944 and November 15th, 1944, respectively.

A Sinking Fund of an amount equal to at least 1% of the face value of the outstanding debentures of this issue will be provided annually.

Particulars of the debt and other financial statistics of the Province will be found in the official prospectus which is available upon request.

PRICE: 99.25 and accrued interest, yielding over 3.06%

SUBSCRIPTIONS WILL BE RECEIVED SUBJECT TO REJECTION OR ALLOTMENT IN WHOLE OR IN PART AND THE RIGHT IS RESERVED TO CLOSE THE SUBSCRIPTION BOOKS AT ANY TIME WITHOUT NOTICE.

IT IS EXPECTED THAT THE DEBENTURES IN INTERIM FORM WILL BE READY FOR DELIVERY ON OR ABOUT JANUARY 18th, 1945.

WE OFFER THESE DEBENTURES IF, AS AND WHEN ISSUED AND ACCEPTED BY US AND SUBJECT TO APPROVAL OF COUNSEL ABOVE MENTIONED.

L. G. Beaubien & Co. Limited
Nesbitt, Thomson & Co. Limited
Savard, Hodgson & Co. Inc.
Royal Securities Corporation Limited
Collier, Norris & Quinlan Limited
René-T. Leclerc, Incorporée
Mills, Spence & Co., Limited
Mead & Co., Limited
Midland Securities Limited
Gairdner & Company Ltd.
W. C. Harris & Co., Limited
Lagueux & DesRochers Limitée
R. A. Daly Co., Ltd.
Société de Placements Incorporée
J. C. Rogers & Company, Limited
Matthews & Company
P. E. Letourneau Inc.
Canadian Alliance Corporation Ltd.
McLeod, Young, Weir & Company Limited
McTaggart, Hannaford, Birks & Gordon Limited
Cochran, Murray & Co., Limited
Bartlett, Cayley & Co. Limited
J. C. Boulet, Limitée
La Corporation de Prêts de Québec
Burns Bros. & Denton, Limited
Oscar Dubé & Cie, Inc.
Société Générale de Finance, Inc.
Crédit Anglo-Français Limitée
Paul Gonthier & Compagnie Limitée
Bell, Gouinlock & Co., Limited
Harrison & Co. Limited
Kerrigan, MacTier & Co., Limited
J. E. Laflamme, Limitée
Clément, Guimont, Inc.
Anderson & Company
Hamel, Fugère & Cie, Limitée
Desjardins, Couture, Inc.
Garneau, Boulanger, Limitée
A. M. Ramsay & Company
Crédit Interprovincial Ltée.
Lajoie Robitaille & Cie. Ltée.

The statements contained herein are based upon information obtained from official sources but are in no event to be construed as representations by us.

January 2nd, 1945.

Government of the Province of Alberta

NOTICE TO HOLDERS OF PROVINCE OF ALBERTA DEBENTURES WHICH MATURED JANUARY 15, 1939

The Province of Alberta will pay interest to bona fide holders of debentures of the above issue, at the rate of two and one-half per cent per annum in respect of the half-year ending January 15, 1945, being at the rate of $12.50 for each $1,000. Holders will be paid interest as above on presentation of their debenture or debentures for notation thereon of such payment of interest at any branch of the Imperial Bank of Canada in the Dominion of Canada, or at the Bank of the Manhattan Company in the City of New York, in the United States of America. Debentures should be accompanied by the usual ownership certificate required by the Dominion Government as in the case of coupons.

Dated at the City of Edmonton, this 30th day of December, 1944.

(Sgd.) E. C. MANNING, Provincial Treasurer.

(Extract from The Alberta Gazette of December 30, 1944).

Government of the Province of Alberta

NOTICE TO HOLDERS OF PROVINCE OF ALBERTA DEBENTURES WHICH MATURED JULY 15, 1941

The Province of Alberta will pay interest to bona fide holders of debentures of the above issue, at the rate of two and a quarter per cent per annum in respect of the half-year ending January 15, 1945, being at the rate of $11.25 for each $1,000. Holders will be paid interest as above on presentation of their debenture or debentures for notation thereon of such payment of interest at any branch of the Imperial Bank of Canada in the Dominion of Canada, or at the Bank of the Manhattan Company in the City of New York, in the United States of America, or at the office of Lloyds' Bank Limited, in London, England.

Dated at the City of Edmonton, this 30th day of December, 1944.

(Sgd.) E. C. MANNING, Provincial Treasurer.

(Extract from The Alberta Gazette of December 30, 1944).

Government of the Province of Alberta

NOTICE TO HOLDERS OF PROVINCE OF ALBERTA DEBENTURES WHICH MATURED JANUARY 15, 1942

The Province of Alberta will pay interest to bona fide holders of debentures of the above issue, at the rate of two and a quarter per cent per annum in respect of the half-year ending January 15, 1945, being at the rate of $11.25 for each $1,000. Holders will be paid interest as above on presentation of their debenture or debentures for notation thereon of such payment of interest at any branch of the Imperial Bank of Canada in the Dominion of Canada, or at the Bank of the Manhattan Company in the City of New York, in the United States of America.

Dated at the City of Edmonton, this 30th day of December, 1944.

(Sgd.) E. C. MANNING, Provincial Treasurer.

(Extract from The Alberta Gazette of December 30, 1944).

THE ROYAL BANK OF CANADA

General Statement, 30th November, 1944

LIABILITIES

Capital Stock paid up		$ 35,000,000.00
Reserve fund	$ 20,000,000.00	
Balance of profits carried forward as per Profit and Loss Account	4,247,671.56	
	$ 24,247,671.56	
Dividends unclaimed	50,575.46	
Dividend No. 229 (at 6% per annum), payable 1st December, 1944	525,000.00	
		24,823,247.02
		$ 59,823,247.02
Deposits by and balances due to Dominion Government	$232,148,156.00	
Deposits by and balances due to Provincial Governments	21,453,136.10	
Deposits by the public not bearing interest	807,245,414.46	
Deposits by the public bearing interest, including interest accrued to date of statement	592,851,469.10	
Deposits by and balances due to other chartered banks in Canada	3,161.92	
Deposits by and balances due to banks and banking correspondents elsewhere than in Canada	23,183,358.61	
		1,676,884,696.19
Notes of the bank in circulation		9,880,371.66
Acceptances and letters of credit outstanding		42,347,097.19
Liabilities to the public not included under the foregoing heads		1,616,390.59
		$1,790,251,802.65

ASSETS

Gold and subsidiary coin held in Canada	$ 1,775,041.40	
Gold and subsidiary coin held elsewhere	1,402,082.58	
Notes of Bank of Canada	36,421,787.75	
Deposits with Bank of Canada	105,209,611.49	
Government and bank notes other than Canadian	79,047,151.39	
		$ 223,855,674.58
Notes of and cheques on other banks	$ 75,260,199.09	
Deposits with and balances due by other chartered banks in Canada	6,674.81	
Due by banks and banking correspondents elsewhere than in Canada	78,630,240.06	
		153,897,113.96
Dominion Government direct and guaranteed securities maturing within two years, not exceeding market value		438,082,169.89
Other Dominion Government direct and guaranteed securities, not exceeding market value		299,948,251.15
Provincial Government direct and guaranteed securities maturing within two years, not exceeding market value		43,409,483.93
Other Provincial Government direct and guaranteed securities, not exceeding market value		23,545,560.60
Canadian municipal securities, not exceeding market value		16,754,325.77
Public securities other than Canadian, not exceeding market value		81,310,288.45
Other bonds, debentures and stocks, not exceeding market value		27,493,292.52
Call and short (not exceeding 30 days) loans in Canada on stocks, debentures, bonds and other securities of a sufficient marketable value to cover		25,885,985.74
Call and short (not exceeding 30 days) loans elsewhere than in Canada on stocks, debentures, bonds and other securities of a sufficient marketable value to cover		38,620,089.00
		$1,377,849,205.53
Current loans and discounts in Canada, not otherwise included, estimated loss provided for	$261,024,287.72	
Current loans and discounts elsewhere than in Canada not otherwise included, estimated loss provided for	79,117,470.17	
Loans to provincial governments	2,109,729.68	
Loans to cities, towns, municipalities and school districts	8,815,745.35	
Non-current loans, estimated loss provided for	585,143.08	
		351,652,376.00
Liabilities of customers under acceptances and letters of credit as per contra		42,347,097.19
Real Estate other than bank premises		976,301.49
Mortgages on real estate sold by the bank		810,250.87
Bank premises at not more than cost, less amounts, if any, written off		12,276,453.77
Deposit with the Minister of Finance for the security of note circulation		625,000.00
Shares of and loans to controlled companies		2,987,786.72
Other assets not included under the foregoing heads		1,027,331.38
		$1,790,251,802.65

M. W. WILSON, President.

S. G. DOBSON, General Manager.

AUDITORS' REPORT

To the Shareholders, The Royal Bank of Canada:

We have examined the above Statement of Liabilities and Assets as at 30th November, 1944, with the books and accounts of The Royal Bank of Canada at Head Office and with the certified returns from the branches. We have checked the cash and the securities representing the Bank's investments held at the Head Office at the close of the fiscal year, and at various dates during the year have also checked the cash and investment securities at several of the important branches.

We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank, which have come under our notice, have been within the powers of the Bank. The above statement is in our opinion properly drawn up so as to disclose the true condition of the Bank as at 30th November, 1944, and is as shown by the books of the Bank.

M. OGDEN HASKELL, C.A., of Haskell, Elderkin & Co.
GUY E. HOULT, C. A., of P. S. Ross & Sons.
Auditors.

Montreal, Canada, December 22, 1944.

PROFIT AND LOSS ACCOUNT

Balance of Profit and Loss Account, 30th November, 1943	$ 3,815,487.77	
Profits for the year ended 30th November, 1944, after providing $2,127,214.86 for Dominion Government taxes and after making appropriations to Contingency Reserves, out of which Reserves provision for all bad and doubtful debts has been made	3,812,183.79	
		$ 7,627,671.56
APPROPRIATED AS FOLLOWS:		
Dividend No. 226 at 6% per annum	$ 525,000.00	
Dividend No. 227 at 6% per annum	525,000.00	
Dividend No. 228 at 6% per annum	525,000.00	
Dividend No. 229 at 6% per annum	525,000.00	
	$ 2,100,000.00	
Contribution to the Pension Fund Society	880,000.00	
Appropriation for Bank Premises	400,000.00	
Balance of Profit and Loss carried forward	4,247,671.56	
		$ 7,627,671.56

M. W. WILSON, President.

S. G. DOBSON, General Manager.

Montreal, December 22, 1944.

The Editorial Page . .

A Needless Hurdle in Munitions

The current, desperate race of some Canadian munitions plants to get back into production of ammunition is being seriously slowed up by the fact that American and British guns are largely of different calibres.

Canada's ammunition production has been almost entirely for the British account, hence has followed British specifications. The big and urgent orders which have come to this country in recent weeks for stupendous quantities of shells are for the Americans.

This means, at this critical time, a fairly major change-over in machines and considerable delay. But even had we duplicate or universal machines, so that we could make either type of ammunition at will, there is still a tremendous wastage in the time and effort, because two separate streams of supply with many opportunities for confusion, must be maintained to every front where British and American forces are engaged. No matter what the urgency, such as the recent breakthrough in Belgium, neither party can borrow from the other.

Canadians have a perfect right to be pretty anxious that British and Americans get together on standard armament. We are intimately tied up with both parties and we are almost entirely equipped with British type weapons.

It is simply fatuous to defend the difference in gun calibres on the grounds that sometime Britain and America might be on different sides in a war. It is intolerable to let tradition and private prejudice continue a patently ridiculous and dangerous situation.

This is just another illustration of the urgent need for the English-speaking peoples getting together, looking at their shrunken world in a realistic, adult fashion and taking the appropriate joint action for joint protection and comfort.

Ending Succession Duties Muddle

Premier Drew has described the new agreement between Ontario and Quebec to eliminate double taxation respecting succession duties as "one of the most important steps in the advancement of sound interprovincial relations that we have seen for some time."

Provided the new agreement works out as expected that view is correct. The present situation is unfair and intolerable both to Canadian citizens and to nationals of other countries who may be interested in property in Canada. Mr. Drew well summed up the situation as follows:

> "The agreement now reached will encourage United States investors to invest their money in productive enterprises in the two older provinces. It also encourages freedom of investment between the provinces themselves, and we hope that other provinces throughout Canada will enter into similar agreements with us. I believe that this is only the forerunner of other steps of a similar nature leading to uniformity in taxing methods and simplification of administrative procedure as between the provinces."

It is to be sincerely hoped this prediction is well founded. Mr. Drew himself can do much to bring it about. Not only is co-operation with the other provinces essential but also with the Dominion authorities. In the latter regard there is room for very considerable improvement and unfortunately in the past Mr. Drew has not always adopted an attitude likely to encourage such co-operation.

Would Throttle Foreign Trade

It is a seeming paradox that what is regarded as Canada's left wing party, the CCF, should be now reiterating and making clear its position as the super-protectionist and high-tariff party.

As totalitarians, the CCFers come out bluntly for the German and Soviet kind of foreign trade.

All foreign trade under the CFF would be handled by import and export boards established and dominated by government. In this way, Coldwell & Co. hope to shut Canada off from the rest of the world, close its economy from outside competition and turn the Dominion into an economic Tibet.

This is economic nationalism in its most extreme form; protectionism at its towering worst. In one breath, the CCF in its recent pronunciamento claims that foreign markets are the key to Canadian welfare; in the next, it blueprints machinery that hobbles and blocks foreign trade.

"What We Miss Most"

Weakness of the present type of government in Newfoundland where the privilege of full local representation has been temporarily surrendered, is well illustrated in the case of the recent leasing of the Goose Bay Airport. There has been much criticism over this move in Newfoundland on the grounds that it involved long-term sovereign commitments.

Very much like the executors of a company in temporary bankruptcy, the authorities charged with administering Newfoundland affairs are in a most difficult position when it comes to negotiating agreements which would bind the country for a long term. A prominent citizen of Newfoundland makes this observation in a letter to The Financial Post as follows:

> "I cannot see how the present Government can avoid making future commitments if they are to function at all, but undoubtedly there has not been enough evidence that they are taking the public into their confidence in these matters.
>
> "What we miss most and what we simply cannot get unless we return to responsible government is public information that can only come out in debates on the floors of an elected assembly."

In these days of world turmoil and of new experiments in government, there is surely a sermon in those few words.

For a Wise Demobilization

Canada has so far made no public announcement as to what specific plans we have for demobilizing personnel of the armed services.

In the U. S., a "soldier poll" has been taken on this subject. Aim was to find what the troops themselves considered fair and efficient.

The plan drawn up involves a point system whereby so many points will be given for length of service, so many for length of service overseas, for winning of combat awards, for the fighter's dependent children under 18.

The U. S. scheme would seem to have much to recommend it. It seems to cover the considerations which, in common fairness, should be considered in deciding who gets out of the service first.

One very important point it does not cover: What is the job productivity of the serviceman released? Is he going back to a civilian job which is of the kind which helps create other jobs? Comparisons are invidious, but we think, for instance, of the difference between the man who seems fitted for and who says he wants to go back to his job as a taxi driver compared with the man who is a skilled miner and who, by his skilled work is going to make possible and foster development work in mines, both above and below ground, and who, in helping break a labor bottleneck, will contribute to the employment of many others in that and ancillary industries.

The same argument would apply to a skilled artisan in, say, the construction trades. Before there can be work for the general laborer in the building industry, carpenters, plumbers and other key workers must be available.

The end result of a just and wise demobilization policy will be greater fairness to the individual veteran and certainly, thereby, the national interest will benefit.

No demobilization plan will suit everybody. A period of public education in which a demobilization plan would be discussed and digested is most important. Now is the time to reveal the plans for Canada.

One or the Other Investor

The late Sir William Mulock was very definitely an exponent of what might be called the "whole hog" system of investment. His estate probate showed assets of $2,512,000. Examination of his investments as shown in detail in last week's Financial Post reveals that Sir William's money was either in supersafe investments or in super speculations.

He had very little of that in-between stuff which lures so many would-be careful investors, with its appearance of good security and its promise of speculative possibilities.

The sage Sir William didn't try to combine his investing and his speculating. When he speculated he "went right to town."

Not only did Sir William's estate do pretty well on that investment "theory," but Sir William himself got an enormous amount of fun out of it, The Financial Post is told. Right up to the final years and months of his life Sir William was busily dickering with his "cats and dogs," always hopeful as a youth, always as provoked "as a wet hen" when his speculations missed fire.

By putting up money for this and that raw prospect, Sir William, like many others able to afford it, was giving important help to the prospector and to mine development. He was taking a gamble on the men and the resources of this country.

The Postwar World . . . .

In this department The Financial Post notes current comment, opinion and research on the world that will face us after the war has been won.

How Many New Houses Will Canada Need?

The following excerpts dealing with Canada's postwar housing backlog are taken from a pamphlet just off the press, entitled "This Housing Problem." The authors are W. H. Bosley, for more than 25 years associated with the Toronto real estate and H. E. Manning, K.C., an authority on municipal taxation and for many years owner and operator of commercial and residential properties in Toronto.

Various extravagant estimates of the total number of houses Canada will require after the war have been put forward by national leaders and by groups of persons interested in the housing problem.

Mr. Coldwell, leader of the CCF, has estimated that Canada needs immediately after the war, as rapidly as they can be built, 1,200,000 new houses. The Honorable Humphrey Mitchell, Minister of Labor, has been quoted as saying at Montreal that Canada will need in the postwar period 1,000,000 new houses. The Canadian Construction Association has estimated that 300,000 houses will be required within the first five postwar years, most of which must be Government owned. The Curtis Sub-committee on Housing, appointed by Parliament, has estimated that over 600,000 and perhaps 750,000 new urban houses and 125,000 new farm dwellings will be required in ten years and that, in addition to that, 543,000 houses require substantial repair to make them properly habitable.

The best information which is available is that at the present moment, to house eleven and one-half million people, there are in Canada 2,260,000 dwelling units (which include apartments), of which 972,000 units lie in the principal metropolitan areas, 560,000 lie in smaller towns and 718,000 are in farm areas.

The Coldwell estimate, therefore, is in effect that more than a 50% increase of housing is necessary in order to provide satisfactory accommodation. The Canadian Construction Association estimate is one fourth of that. Even one eighth or approximately 12½% is an enormous deficiency of housing *if it exists*. The Curtis report demands at least a 30% increase in facilities and restoration of another 25%.

Sometimes common sense is useful to check figures. Does the reader believe that one third of all the families with which he is familiar require to be rehoused? Does one family in ten need state assistance?

The one thing that is necessary in contemplating the organization of a postwar world is to remember that it will not be at war. There will be no need for wartime congestion of civil servants at Ottawa. There will be no need for the tremendous overcrowding of Halifax and Victoria. There will be no reason for the excessive congestion of Montreal, Toronto, Hamilton, Windsor, Oshawa and other centres where the production of implements of war has been vastly expanded.

What we must try to do is to come to some rational estimate of the future. That estimate must not be disturbed by exaggerations which have characterized the demand for emergency housing in various centres.

First of all it should be observed that, when the war began, the inevitable and accurate barometer of the demand for housing in Halifax, Windsor, Hamilton, Toronto and other places, namely the percentage of vacancies, showed that more housing was available than the public was ready to pay for at less than cost. Rents and sale prices were so low that many owners had lost their titles through foreclosure, the number of owner occupiers had dwindled and the number of tenants had increased, notwithstanding substantial increase in population which ordinarily would have increased the number of owner occupiers; the tax bills had risen substantially; the volume of new construction was negligible, notwithstanding some years of the cheapest financing that has ever been experienced in Canada and notwithstanding the revival of a very considerable degree of prosperity in industry.

The pre-war vacancies in residential accommodation approximated 3% in a city like Toronto, about the same in Hamilton, with thousands enjoying accommodation at nominal relief rentals, and there was no indication whatever of a housing shortage except that in Toronto the assessment records revealed a certain amount of doubling up.

Studies have been made which indicate that over a period of years the maximum proportion of the total national income paid out per head of population which can be effectively put into the construction of new houses is about 2% and not more. This is consistent with an average assumed lifetime of houses at fifty years, and would seem reasonable.

Occasionally in years of prosperity and enthusiasm, the amount of investment in housing has exceeded that figure. Whenever the rate of expenditure has exceeded that figure for a period of time, the consequence has been a compensating recession in following years. The recession is likely to be proportionately more severe when the excessive investment in previous years has been highest. The essential thing is that the two factors of building and saving are inextricably bound up together.

Overbuilding produces overextended mortgage credit. Overextended mortgage credit causes default and foreclosures and peremptory sales. Mortgage distress cuts down powerfully on building and particularly building of residential accommodation.

We shall only accelerate the advent and intensify the severity of depression if we neglect the lessons of the past.

OUT OF HIS REACH AGAIN

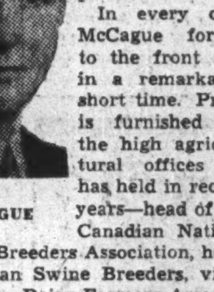
Cartoon by Grassick.

Post-Scripts . . . . .

Farmer Bank Director

John Joseph Edward McCague, new director of the Bank of Toronto, is not a farmer who puts all his eggs in one basket. McCague started with three baskets and now, firmly established, still uses two and both of them have several compartments.

When Jack McCague started farming on his own in 1933 he specialized in three main lines, purebred Holstein cattle, Yorkshire swine and silver foxes. Commercial objective was the sale of breeding foundation stock in all three lines as well as milk, hogs for slaughter and fox pelts.



MR. McCAGUE

In every case McCague forged to the front and in a remarkably short time. Proof is furnished by the high agricultural offices he has held in recent years—head of the Canadian National Silver Fox Breeders Association, head of the Canadian Swine Breeders, vice-president of the Dairy Farmers Association and this year president of the Holstein-Friesian Association of Canada, largest cattle organization in the British Empire. Few if any farmers in Canada have equalled that multiple record and certainly not in so short a time. McCague is still well under the 50 mark and, with his spare figure, sandy hair and extremely youthful face, would pass for about 40.

McCague was raised on one of the many good farms in Markham Township. Like his two younger brothers he went to the Ontario Agricultural College at Guelph. There he specialized in livestock judging and represented the College on several crack teams. Graduating in 1921 he took a job as representative of the Ontario Department of Agriculture at Alliston in the south of Simcoe County and laid the foundations of the flourishing swine and potato industries of that district.

While at Alliston, McCague came into close contact with the late T. P. Loblaw, founder of the grocery chain of the same name, and finally was induced to take over the management of Loblaw's Stevenson Farms in 1928. Five years later, when these farms were sold following the death of Mr. Loblaw, McCague bought one of them, some Holstein cattle and foxes and established Glenafton Farm. Purposely he chose a farm without any buildings as he had his own idea of what sort of structures were needed. Depending chiefly on revenue from his foxes he proceeded to build up a Holstein herd, which is now considered one of if not the most outstanding in Canada.

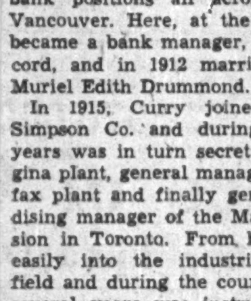
The secret is probably the judging ability developed at the OAC. McCague is one of those rare livestock experts who can see in an animal values, actual and potential, not apparent to the average eye. He has an uncanny idea of just what that animal might produce in milk or progeny under certain conditions, what it lacks that might be made good in another generation or two by careful breeding.

A few years ago he bought a bull for $1,500, a rather sensational price at the time. But last fall he topped the U. S. National Blue Ribbon sale at Wisconsin with a son of that bull which sold for $5,400, second highest price since 1918. The McCague herd numbers close to 100 head, all purebred and practically all from Record of Performance stock. It includes the world's champion cow for thrice-a-day milking production, and holder, last year and this, of the All-Canadian bull award, Montvic Ragapple Marksman.

• • •

Hustling Maritimer

Fred B. Curry, recently appointed president of Orange Crush Ltd., is another example of those friendly and industrious maritimers who "get places."



MR. CURRY

Born in Windsor, N.S., 54 years ago, young Fred was not long in getting the feel of his first pay cheque. At the age of 15 against the wish of his father that he attend college, he entered the Bank of Nova Scotia in his home town. He was likable and eager to visit new places and during the next ten years, held bank positions all across country to Vancouver. Here, at the age of 22 he became a bank manager, probably a record, and in 1912 married the former Muriel Edith Drummond.

In 1915, Curry joined the Robert Simpson Co. and during the next 15 years was in turn secretary of the Regina plant, general manager of the Halifax plant and finally general merchandising manager of the Mail Order Division in Toronto. From here he moved easily into the industrial engineering field and during the course of the next several years was instrumental in reorganizing a number of well-known Canadian companies.

In 1941 Curry became associated with E. P. Taylor, chairman of Canadian Breweries, and retiring head of Orange Crush. That same year Orange Crush, through its subsidiaries, began the active expansion program that has acquired several soft drink companies. Curry is also vice-president of Associated Bottlers Ltd., Toronto, and Charles Gurd Co., Montreal, and has found time to organize the National Association of Canadian Soft Drink Industries which was designed to co-ordinate and look after the interests of soft drink manufacturers all across the Dominion.

There were two sons and a daughter in the Curry family. The younger boy, Fred, Squadron Leader, was lost in the North Pacific in the spring of '43. The older boy is a major in the Toronto Scottish and is now in Holland.

Mr. Curry's main hobby is work, but when he can get away, which has not been very often lately, he heads countryward with golf bag or fishing tackle in the back of the car.

• • •

Acquisition from Ireland

Irish-born Samuel E. Diamond, general sales and export manager of Alfred Lambert, Inc., of Montreal, and recently elected president of the Canadian Exporters Association, believes that Canada, in order to maintain employment in industrial plants created during the war, should: (1) encourage exports; (2) encourage immigration after the war, to increase domestic market demand for industrial products.

A strong argument in favor of encouragement of immigration could be offered in Diamond's own career. Born in Draperstown, Ireland, the son of school teachers (both his father and mother taught in the public schools), young Diamond after completing his education started work in the shipyards at Belfast. He had been connected with the shipbuilding industry for nine years, when he heard of an offer of government assistance in transport expense to young men who wished to go to Canada. Diamond was interested, but couldn't make up his mind whether he should make so drastic a change. To go to Canada meant leaving a secure position, meant leaving his family behind; and his knowledge of Canada at that time was quite vague.

Finally, one afternoon while watching a football match young Diamond made his decision, left the game to secure passage on the next boat, and two weeks later landed in Canada, on St. Patrick's Day, March 17, 1907. Almost immediately he obtained a job with the Ames-Holden Co. (which later became Ames-Holden-McCready Co.) and he sent for his fiancee, Elizabeth Duff of Belfast, to join him and become Mrs. Diamond.

Diamond became Winnipeg manager for the Ames-Holden-McCready firm. In 1910 he helped organize the Canadian Credit Men's Association, and in 1915, Diamond left the Ames firm to become Regina manager for this association, later Winnipeg manager. Then for a time he operated a retail business of his own in Manitoba, moving east in 1927 to join the staff of Alfred Lambert Inc. (leather and rubber footwear manufacturers and distributors). Starting as credit manager with the Lambert firm, Diamond, in 1937, was appointed general sales and export manager, a position he still holds.

With a twinkle in his eye Diamond is fond of pointing out that in return for the few pounds (sterling) the Government invested in helping bring him to Canada, he has given to his adopted country hundreds of pounds of "Diamonds," for there are now many Diamond children and grandchildren living in Canada. In addition, three others besides himself from the Diamond family of 11 children in Ireland followed S. E. Diamond to Canada, also Mrs. Diamond's sister.

Mr. and Mrs. S. E. Diamond have five children—three girls and two boys. The youngest boy has been in the Royal Canadian Navy since the start of the war.

Diamond's hobby is gardening, and he also likes to play golf—when he can get the time. He also likes people—and his Irish wit, and fund of humorous stories and anecdotes makes it easy for people to like him.

• • •

Stop Me If . . . . .

Plumber (arriving 2 hours late)—Well, how is it?

Man—Not so bad. While we were waiting for you I taught my son to swim.

Other People's Views . . . .

The Canadian Editorial of the Week

It Will Never Happen

Bruce Hutchinson in Vancouver Sun.

The proposal that all taxation should be on income alone is progressive and ideal. Too ideal. It will never happen. We are not that progressive and we are not that ideal.

But the plan, nevertheless deserves careful consideration and the analysis of some practical figures, for such a process will give us a new understanding of the huge financial problems ahead of us—problems not to be solved by any simple formula or without burdensome taxes as long as you and I are alive.

The income tax, of course, is the fairest tax, because it is based on ability to pay. If we paid only income taxes, and no sales taxes, nor land taxes, nor poll-taxes, everything would be entirely equitable, in theory anyway. But what would happen to the finances and the tax structure of Canada in actual practice?

The fundamental principle of taxes is that no authority shall collect money for another authority to spend; that no authority shall get money that it does not boldly and openly collect from the people. The logic of this is obvious to any man who earns wages and supports a family—those who don't earn money are careless how somebody else's money is spent. If one government collects all taxes it should spend all taxes and do all business. Governments that don't have to face the taxpayers direct, who can always call on a rich uncle, will run riot with expenditures.

• • •

As Others See Us . .

Farmers Are Prosperous

Brantford Expositor.

Despite many hardships, chief among them the manpower shortage, Canadian farmers should emerge from the war in a much stronger financial position than that in which they entered it. Granting that there may be exceptions "in a few specialty areas," The iFnancial Post, Toronto, finds that "the good farmer on good soil is prosperous."

Statistics bear out the statement. The net farm cash income for Canada's farms in 1943 came to $974,000,000, compared with $534,000,000 in 1940 and the figures for 1944 will show another substantial increase. Cash income from the sale of farm products rose from $383,500,000 in 1932 to nearly $1,400,000,000 in 1943. According to one estimate, the index of farm purchasing power rose from 116.5 in 1939 to 189.8 in June of last year.

This will have an important and beneficial effect on implement industries, particularly in communities like Brantford. And another highly favorable aspect is to be found in the fact that more than half the farms in Saskatchewan and nearly three-quarters of those in Manitoba are now classified as debt-free. On these assumptions, as The Financial Post concludes, "no magic, no special contrivances of legislation or of business are needed to open the door to the greatest farm market of Canadian history."

• • •

Complete Socialism

Pembroke Standard-Observer.

"If Canadians wake up some day to find themselves in the complete and rigid grip of socialism they cannot complain they weren't warned," says The Financial Post. The CCF National Convention in Montreal certainly were frank regarding their ultimate objective, which is the complete socialist revolution — taking over by government of all businesses, big and little."

CCF stands for out and out Socialism, and out and out Socialism means the taking over by government of big business and small business, and farms as well. The CCF leaders find that when they added farms to what would be State property they started something they wished that they never had touched, but it is too late now to retract.

The Mail-box

Deplores Public Works Program

Referring to your editorial in current issue concerning public works, I think you make a mistake in saying that "it is now generally accepted that public works, at least for a period after the war, are going to play an important part in providing employment." So far as I know this idea is not generally accepted among businessmen, but only in theoretical or political quarters. It is, in my opinion, the chief danger spot in our postwar plans, and far from accepting it as a necessity immediately after the cessation of hostilities, there should be a firm determination not to start a public works program until there is clear evidence of considerable unemployment.

There are two sound reasons for this opinion, first, total unemployment in Canada in 1939 prior to the war was certainly less than 10%, and some of the unemployed consisted of unemployables. Allowing for the men who will remain in the Armed Forces for a considerable period, we shall have a working force not much greater than 1939, if as large. Considering the amount of deferred maintenance and reduced inventories, there is no basis here for an expectation of unemployment. Undoubtedly there will need to be some shifting in vocations and locations, but that will pretty much take care of itself, since workers will have the means to move if necessary, with the assistance of National Service offices.

The second reason is that there is more purchasing power in the pockets of the people than ever before, and everybody is short of goods. That situation of itself assures full employment for a considerable period, since in addition to the purchasing power created by producing the goods, which ordinarily clears the markets by itself, there is the immense accumulation of savings, some part of which will undoubtedly be added to current salaries and wages for purchasing purposes.

To set up a big public works program of largely unnecessary works merely to create employment would be an economic blunder of the first magnitude. There may be some slackening of demand several years after the close of hostilities and that will be the time to bring on the public works, if no better way can be found to maintain employment.

Even that plan is of very doubtful value, since neither in Canada, the United States nor Great Britain, have public works programs solved unemployment. That is a settled fact—any amount the government can spend for such purposes is a bagatelle measured against the total production of the country. Furthermore, it can only last a short time when the original problem returns for solution, namely how to secure a balanced economy with some degree of stabilization.

If it could be generally accepted that unnecessary public works, or public works that are unnecessarily expensive, put forward merely to create employment are a mistake and an admission that somebody doesn't know what to do, we could then go on to correct conditions that create unemployment through fear or lack of confidence in the general situation.

W. R. YENDALL,

London, Ont.

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Ottawa: Kenneth R. Wilson, 260 Irving Ave. 8-0847.

Montreal: Dwight L. Moody, Dominion Square Bldg., MA. 2331.

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NEWFOUNDLAND NEWSLETTER

State Experiment in Labrador May Have Far-reaching Effects

The Financial Post presents a third monthly report on political and economic conditions in Newfoundland. Because of its greatly enhanced strategic and economic importance, the Island's destinies affect Canadian trade and external relations more intimately than ever before. These regular reports are written for The Post by a Newfoundland journalist.

When the Hudson's Bay Co., in 1942, closed down six of the nine trading posts operated in Newfoundland Labrador, presumably because they were no longer paying their way, the Newfoundland Government took the unprecedented step of taking over the HBC business in that far-northern district, lock stock and barrel.

There was no protest over the government's move because it was not a case of government competing with private industry. But it is an interesting and unique development, and it could have far-reaching effects.

If it should happen that the government's rehabilitation plans for the 2,000-odd Eskimos, Indians and white settlers of the area work out satisfactorily, the results are bound to be widely cited as an example of what a benevolent government dictatorship can do, and the inevitable comparisons will be made.

On the other hand, if the government fails in its task the whole scheme will deteriorate to something akin to spoon-fed paternalism, for certainly neither the HBC nor any other business concern will then move in to pull out the government's chestnuts.

At the moment it is difficult to say whether the scheme is successful or not. Officially the government is "satisfied" with the results so far achieved, but impartial observers fairly close to the scene still have their fingers crossed.

The area of the government's operations, which include dealings in fish and fur, extends from Makkovik at the northern end of the Hamilton Inlet to Hebron, just south of Cape Chidley. There are between three and four hundred families in this region, most of them Eskimo.

In 1942 the government took over the stocks in the trading posts at Makkovik, Hopedale, Davis Inlet, Nain, Nutak, and Hebron, put in local managers, some of them with HBC experience, and appointed a senior member of the Newfoundland Ranger Force to supervise the operations. The buildings and premises, however, were acquired on a rental basis.

"Two-handed" fishing boats were built in Newfoundland and shipped north. Gear and supplies were advanced to the Eskimos, and several codtraps, something new to the northerners, were introduced at some of the stations. To teach the natives the proper methods, fishermen-foremen were posted at the centres. In all cases these men were experienced Newfoundland cod-catchers.

The government plan lays emphasis on development of the fisheries. Under the HBC trading regime the emphasis was on fur, with the rich harvest of the sea more or less neglected by the Eskimos. Since hundreds of schooners sail into those very waters from southern ports every summer to fish for cod, the government reasons that the men on the spot should be able, with proper coaching, to match the luck of the Newfoundland "floaters."

Rehabilitating the Eskimos is more than a matter of teaching them to fish, those entrusted with the task are discovering. The Eskimo is traditionally an easy-going sort of chap, happy enough as long as his belly is full, but never too worried about the future. The fishermen-foremen must teach the natives to keep at it as well as how to go about it.

Living conditions alone present a major problem. While everybody in the north has a roof over his head, there still exists an acute housing problem. Living mostly in log huts with sodded roofs, the Eskimos know few of the amenities of life. In such places as Nain and Hopedale they have neither the primitive nor the modern way of life, but a little bit of each—with pathetic results.

The Hudson's Bay Co. and the Moravian Mission have done a lot in advancing the cause of the isolated northerner, but there still remains a great deal to be done under the government regime.

As for the Indians, they enter the picture only as occasional visitors to the trading posts, most of the year being spent as nomad hunters in the hinterland. About 300 strong, they have been having an increasingly tough time in recent years through shortage of game and recurrent sickness among the tribes.

The few white settlers scattered along the coast stand to gain most from the government's rehabilitation scheme, since in most cases they needed only a little help to stage a comeback.

• • •

V. S. Bennett's Air Bid Fails to Gain Support

Back in Newfoundland after a visit to the United States and Canada, V. S. Bennett, promoter of Air Transport, Ltd., is quoted as saying that he had received official intimation from the Newfoundland Government that his company "should be prepared for the possibility that the government will decide to exercise through a chosen instrument under its control Newfoundland rights in relation to international air traffic."

The inference in this is that Newfoundland has taken a leaf out of Mr. Howe's book. But what the "chosen instrument" could be is anybody's guess at the moment, since Newfoundland has no airline, official or otherwise.

Speculation is, however, that Newfoundland will make a dicker with Trans-Canada Air Lines, Canada's "chosen instrument," since TCA already serves Newfoundland right through to St. John's, and is the only commercial line with rights of operation in the country.

In any event, Mr. Bennett's company has ceased to exist, according to the same press statement. At least the financial commitments between the company and outside interests have been cancelled. But apparently Mr. Bennett still has hope of establishing a Newfoundland air service "which would not conflict with the government's policy concerning international air traffic."

Incorporated earlier this year, Air Transport, Ltd. — later called North Atlantic Airways—was envisaged by Mr. Bennett as a "Newfoundland" airline that would break into the international field after the war. It had Canadian, U.S., British and Newfoundland backing.

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Increased bounties have been voted by the Commission Government to encourage Newfoundland shipbuilding. These run to $90 per ton for vessels of not less than 20 tons and not more than 150 tons. The same amount per ton will be paid in respect of ships of the dragger type not exceeding 100 ft. in length. An additional bounty at the rate of $15 per h.p. will be paid in respect of engines installed in such ships, providing the engines are new and of Diesel or similar type.

• • •

The Newfoundland Government is following Canada's example in assisting returned men to take college courses that were interrupted by war service. As a matter of fact, it is considered likely that Newfoundland will adopt the complete Canadian plan for its veterans. About 8,000 Newfoundlanders are serving in the British and Canadian forces.

Business This Week

THE FINANCIAL POST	Nov.	Oct.	Sept.	Aug.	Year Ago
PRODUCTION INDEX (4)	242.9	245.0	248.0	248.0	264.0
GOVERNMENT FINANCE (millions of $)					
National Income, D.B.S.	..	...	802	750	762.9
Dom. war expend.	78.2	378.1	346.5	305.5	267.7
Dom. total revenue	153.2	224.7	229.3	220.5	215.7
Dom. total expend.	167.3	437.4	407.3	446.2	497.5
MERCHANDISING					
Dept. store sales index no. (1)	....	171.3	179.7	165.4	151.3
Retail sales index no.	....	182.6	178.6	161.2	173.3
Wholesale sales index no.	....	202.4	205.4	199.4	176.5
Country store (% change pr. yr.)	....	+6.1	+10.2	+11.4	+11.3
FINANCE					
Divd. payment index (5)	129.9	129.9	129.8	129.9	124.6
Bank deposits, index (1)	....	202.9	200.3	202.4	200.3
Bank debits, index (1)	....	....	....	177.1	157.1
Money supply (millions $)	....	....	5,748	5,600	4,933
NEWSPRINT % OF CAPACITY					
Production ratio	....	....	68.8	68.3	70.7
Shipment ratio	....	....	71.1	71.5	68.7
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S. index)	164.4	140.4	160.6	192.2	135.4
Cars (D.B.S. index)	142.3	127.4	128.3	145.5	121.6
COST OF LIVING					
D.B.S. index	118.9	118.6	118.8	118.9	119.4
EMPLOYMENT INDEX, D.B.S.					
■All industries	....	183.3	185.5	184.3	187.5
■Manufacturing	....	223.7	226.2	225.0	231.4
■Payrolls (June 1/41=100 (2)	....	149.9	148.5	147.4	149.4
Payrolls (1937=100) (3)	....	219	222	216	221

RAILWAYS—(000's omitted)	1944	1943	1944 Jan. 1 to date	1943	% Change
■Carloadings week Dec. 16	67.6	67.4	3,543.2	3,356.5	+5.6
■C.P.R. gross (week Dec. 21)	6,231	6,282	311,130	288,328	+7.9
■C.N.R. gross rev. (Oct.)	36,979	37,001	402,623	401,535	+0.2
■C.N.R. net rev. (Oct.)	5,575	7,226	71,958	88,583	—18.8
■C.P.R. gross revenue (Oct.)	27,165	27,461	293,279	269,825	+8.7
■C.P.R. net rev. (Oct.)	6,031	5,591	38,410	44,194	—13.1
IRON AND STEEL (000's omitted) Nov.					
■Pig iron production (tons)	147.0	154.1	1,713.5	1,621.0	+5.7
■Steel production (tons)	268.9	259.4	2,780.9	2,769.2	+0.4
CONSTRUCTION (000's omitted)					
Contracts awarded (Nov.) $	18,902	14,147	279,232	194,115	+43.8
■Building permits (Nov.) $	8,180	6,488	119,795	73,809	+62.3
Cement prod., bbls. (Aug.)	943.7	953.7	4,704.5	4,894.7	—3.9
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Sept.)	1,973	2,014	17,907	17,884	+0.2
Flour exp., bbls. (Oct.)	1,091	850	11,725	10,933	+7.2
Wheat exp., bush. (Oct.)	28,716	19,967	241,272	156,333	+54.5
Cattle sales (4) (Nov.)	160.1	113.0	1,200.6	924.4	+29.9
Hog sales (4) (Oct.)	828.4	890.9	7,998.8	6,206.2	+28.8
SEA FISHERIES (000's omitted)					
Catch, cwts. (Aug.)	1,794	2,202	7,199	7,823	—7.9
Landed value (Aug.) $	7,727	6,751	30,654	27,124	+13.1
NEWSPRINT (000's omitted)					
Production, tons (Nov.)	257	256	2,747	2,755	—0.3
Exports, tons (Oct.)	263	262	2,510	2,412	+4.1
MINING AND OILS (000's omitted)					
Coal prod., tons (Oct.)	1,533	1,559	13,843	14,747	—6.0
Gold rec. (fine oz.) (Nov.)	240	264	2,686	3,339	—19.6
■Petroleum prod. brl. (Sept.)	858.3	827.3	7,539.7	7,570.6	—0.5
ELECTRICAL POWER OUTPUT (000,000's omitted) Nov.					
■Total monthly kw.h.	3,440	3,461	37,110	36,818	+0.8
FOREIGN TRADE (thousand $)					
Imports (Oct.)	160,050	162,921	1,490,065	1,439,894	+3.5
Exports (Nov.)	312,491	289.912	3,173,074	2,668,904	+11.9
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
Shoe prod., pr. (Sept.)	2.9	2.7	26,462	25,664	+3.1
Cotton consump., lb. (Nov.)	14.3	14.3	148.4	165.8	+10.5
Cigarette cons. No. (Nov.)	1,044	1,064	10,218	10,655	—4.1
FINANCE (millions $)					
Bank debits (Nov.)	6,671	5,913	55,614	49,659	+11.9
Bond sales (Nov.)	159	1,633	6,781	5,713	+18.8
■Life insurance sales (Nov.)	53	54	566	535	+5.8

(2) All industries
■ New items for week
(1) Base period 1935-39=100
(3) Bank of Commerce est.
(4) Total at yards and plants
(5) Nesbitt, Thomson, est.

War and Business

Farm Implement Venture

Graham-Paige Motors Corp., Detroit—mentioned not long ago among smaller automotive concerns said considering amalgamation to fight the giants—is looking to the farmer for much of its future business. Graham-Paige has acquired from Rototiller Inc., Troy, N.Y., exclusive North and South American license to mass-produce the "Rototiller" machine that plows, discs and harrows all at once. Rototiller Inc. brought the invention 15 years ago from Switzerland to the United States where 6,000 are now in use. Graham-Paige plans to produce other special farm equipment as well, including a tractor, will use and expand the existing Rototiller distributor and dealer organization. The Troy concern will continue to build a wheelbarrow-type model.

Rototiller in one operation, says Graham-Paige's Joseph W. Frazer, creates a deep aerated seedbed well crumbled to about one-foot depth, with fertilizer and humus mixed uniformly; its rotating tines by their clawing motion help propel the machine, in contrast to the anchor effect of plow, disc or harrow. He predicts new uses for the machine by contractors and small growers.

• • •

More U. S. Houses

To boost building of houses in war congested United States cities the War Production Board and National Housing Agency announce higher priorities for new home building unrestricted as to occupancy—you don't have to be a war worker or serviceman's wife to get one. With this comes expansion of price control to cover higher cost properties in such centres. If labor and materials can be found—and Washington seems to expect they will be—the new decision will lead to more and better houses for sale and rent in the cities where the migrant pinch is tightest.

Canada has a WPTB ceiling on rents, but none on the selling price of any real property. Wartime building has been controlled, of course, in both countries, there by the War Production Board, here by Munitions & Supply Dept. In the United States, residential construction has been limited by NHA-WPB priorities on materials, limited that is to a program called "H-1" for migrant war workers only and another called "H-2" for hardship cases and servicemen's families. Ceilings on H-1 houses are $6,000 for sale, $50 a month for rent. Now, there is to be a third program, "H-2," also for war congested areas, but unrestricted as to occupancy. On these the ceilings will be $8,000 for sale, $65 a month for rent.

POSTERS—THE NON-STOP MEDIUM

For People on the Go

Two seconds is the average reading time of a "24-sheet" Poster. Thus, people in vehicles and on foot absorb your message without pausing.

Posters are the natural way to register with hurrying throngs in these days of extra busyness. No other medium can convey your message to the masses as quickly and impressively as non-stop Posters.

POSTER ADVERTISING ASSOCIATION OF CANADA
80 RICHMOND ST W., TORONTO

20,000 Fewer Employed In Construction in 1943

DBS Final Report for Year Values Work Performed at $572 Millions Against $635 in 1942 — Materials $46 Millions Down

Decline of close to 10% in construction work, from 1942 to 1943—indicated in a DBS preliminary report last August—is confirmed by the final report on work performed in 1943 by 12,163 contractors, 437 municipal and government authorities.

Aggregate value of reported 1943 work is now put at $572.4 millions, a decrease of $63.2 millions or 9.9% from 1942's $635.6 millions.

Employment was given to 155,300 persons, off 19,967 from 1942.

Salaries and wages at $246.8 millions were less by $15.2 millions.

Materials used cost $278.8 millions or $45.8 millions less than 1942.

Most by Contractors

General and trade contractors and subcontractors were responsible for $510.9 millions or 80.3% of the work reported, provincial government departments for $34.1 millions, municipalities $19.9 millions, Dominion Government departments $6.2 millions, the National Harbors Board $1.1 millions. It is impossible to get from these figures the total value of public construction since contractors do not give a breakdown of their operations into public and private work.

Alterations, maintenance and repairs at $150 millions were up $4.6 millions or 3.2%. New construction at $422.4 millions was down $67.8 millions or 13.8%; new residential construction at $52.3 was off $12.9 millions or 19.9% from 1942.

Ontario, Quebec Leaders

Ontario and Quebec as usual dominated the picture, together reporting 65.8% of the value of work performed in 1943, 64.3% of the employment given, 64.2% of the salaries and wages paid.

Impact of the war on the nature of building operations is strikingly illustrated in the following table showing distribution of work by categories in each of the years 1939-43, inclusive.

THE WARTIME BUILDING CYCLE
(millions of dollars—DBS)

Type	1939	1940	1941	1942	1943
Construction (total)	373.2	474.1	639.7	635.6	572.4
Building and alts.	159.0	257.8	374.4	351.7	301.8
Residential	53.9	59.9	87.5	76.3	63.6
Institutional	21.2	17.2	15.1	14.2	13.1
Commercial	35.1	41.7	41.1	30.8	26.4
Industrial (inc. warehouses)	36.6	80.6	177.6	159.3	140.3
Other (inc. military)	12.1	58.2	52.8	71.1	58.2
Engineering	168.3	164.8	200.8	217.2	203.5
Roads, streets	86.6	60.4	68.3	59.6	66.5
Bridges, watermains, sewers, dams, etc.	25.5	23.0	40.4	34.0	30.2
Electric stations, transmission lines	27.5	33.7	37.0	60.6	30.8
Docks, wharves	9.2	4.8	6.4	10.0	10.2
Other (inc. airports, dredging, etc.)	19.3	42.7	48.2	52.8	65.5
Building Trades	45.8	51.4	64.6	66.5	67.0

Zephyr Looms to Build New Rayon Yarn Plant

From Our Own Correspondent

MONTREAL — Zephyr Looms & Textiles Ltd., Guelph, Ont., announces decision to build a new plant for spinning long staple rayon yarns and blends to be sold to broad-silk weavers in Canada. Yarn production is scheduled to start mid-1945. The plant will consume viscose and acetate rayon staple from Courtaulds (Canada) Ltd., and Canadian Celanese Corp.; wool tops from Wool Combing Corp. of Canada, according to the Canadian Textile Journal. West Quebec and east Ontario locations are being considered and G. Lorne Wiggs & Co., consulting engineers, Montreal, have been named to supervise construction, according to President Brooks Stevens, Jr.

Year-end Valuations

The end of the year is an excellent time to have your securities valued. We will be glad to give you quotations on individual securities, as well as your entire investment list.

McLEOD, YOUNG, WEIR & COMPANY
LIMITED
Metropolitan Building, Toronto
Telephone: Elgin 0161
Offices at Toronto, Montreal, Ottawa, Hamilton, London, Correspondents in New York and London, England.

FINANCE COMPANIES
are essential
TO MODERN DISTRIBUTION

FINANCE companies are a vital cog in the distribution of durable goods, such as automobiles and trucks, industrial and construction machinery and equipment, radios and household appliances. By this we mean that finance companies permit an easier and greater flow of goods than would otherwise be possible from manufacturer to dealer, and then to the ultimate consumer. Here's what a finance company contributes to the economies of distribution:

1. It enables the retailer to pay cash to the manufacturer, thereby accelerating the rate of capital turnover—which enables the manufacturer to produce better merchandise at lower prices.

2. A finance company makes it possible for thousands of retailers to extend sound instalment terms to their customers. It provides the intricate credit machinery whereby consumers can buy through these retailers on time-payment terms. As a result, a retailer can enjoy practically a cash turnover.

Soundly administered facilities for instalment credit—such as made available by companies like Industrial Acceptance Corporation — make it possible for thousands of deserving people to make a major purchase and enjoy its use during the term of payment. Moreover, instalment credit systems with their provision for regular monthly payments replace haphazard buying with "planned buying". These two factors necessarily exert a healthy influence on the national economy.

★ ★ ★

Industrial Acceptance Corporation is an all-Canadian company with 35 offices located in principal cities from coast to coast. It has served Canadian businessmen and their customers for almost twenty years. This company has handled more than 600,000 time-payment transactions involving the sale of all types of worthwhile durable goods.

Industrial Acceptance Corporation
Limited
Executive Offices: 1540 Sun Life Building, Montreal

GOVERNMENT AND CORPORATION SECURITIES

Enquiries Invited

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Winnipeg Vancouver Victoria New York London, Eng.

Let's Change Places for a Minute

Let's assume that you are me and I am you. You are planning to get new clients and I am wondering how I can improve upon my advertising. This would be my trend of thought . . . in your place:

"Yes, there is room for improvement in our advertising, as there is in almost every phase of business. But Advertising is intangible. How can I judge in advance whether a change in our plans will be for the better? The publicity we put out looks all right. Illustrations are fairly good . . . Of course there's always room to improve on "copy" . . . Yet do people see and read what we publish? If they do, are they convinced by it? . . . So many advertisements I notice seem to be written to a formula. One could change a few words here and there and the "copy" would do just as well for something else. I wonder . . . does *our* advertising read that way or does it ring true? Has it that sincerity one can sometimes sense when sitting face to face with a salesman?

"I've heard some advertising men talk about The Science of Advertising, but I can't figure out how Advertising can be a Science. Scientists deal with formulas and can deduce fairly precise results from their experiments. But I have yet to see any advertisement from which precise results can be deduced in advance or checked on sales . . . except certain retail or department store advertising. In my experience. Advertising is still a bit of a "By Guess and by God" business.

"But that brings me back to where I started. How can we improve upon our Advertising? I wonder if Thornton Purkis and his organisation could help us. He writes as though he knew what he was talking about, and doesn't make extravagant claims about what he can do, or try to tell people how to run their business. Another point—he takes his own medicine and advertises . . . one of the few Advertising Agents that do. I seem to remember reading that he said he was a business man engaged in the practice of advertising and not an advertising theorist cutting his eye teeth at advertisers' expense.

"I'll have him come and see me. There's nothing to lose by it and maybe he can do a job for us, in which case there'll be something to gain . . . Here Miss Blank, take this note to Thornton Purkis, 330 Bay Street, Toronto. 'Dear Mr. Purkis: We should like to have you call on us to discuss advertising. We suggest you phone and arrange a definite time to suit our mutual convenience.'"

. . . .

Now suppose you are sitting in my place, looking at some firm's advertising with a view to interesting them in your service. Your thought might run something like this:

"I wonder why they published that advertisement? Who and what are they aiming at? If one of their salesmen talked that way to a prospect, would he sell the goods? I doubt it. True, it's a lot of fine sounding words, but somehow it doesn't register . . . it lacks sincerity—too much straining after effect. The illustration is not bad, but it is far fetched. It would do just as well for A as for B. And the use of space is extravagant. The story could be told better in less space — and would save money; or it could be told more often in smaller space for the same money.

"Shall I write and tell them so? Hardly. They could justifiably tell me to mind my own business. They're paying for the space and can use it as they please. Who am I to judge of its effectiveness? How can I prove my assertions? I can't . . . But shall I call upon them anyway and spar for an opening? Well, not uninvited. Just because I happen to call why should any man stop what he is doing to discuss his entire advertising policy with me? Selling professional Advertising Agency Service isn't like selling space in one advertising medium, about which the story can be told quickly (so much circulation in such and such a territory at so much per unit). The amount of money involved for advertising in one paper isn't large . . .

"But the devil of selling an Advertising Agency Service is that, like all service jobs, it's an abstract thing. Any firm can buy space in any advertising medium as well as I can. It's what is put into the space that counts. If one were selling a definite commodity that could be seen, weighed, measured, perhaps tasted and subjected to other tests to prove its worth, it would be much easier. But one can't honestly prove abstract things, even sometimes after the job has been done. Interesting a new customer simmers down to gaining his confidence, assuming the ability and organisation to carry out the job. The question is, shall I write to them and throw out a feeler to gain their interest, or shall I hope that they may read one of my advertisements and ask me to call and talk business as one man to another? Well . . . we'll try this advertisement first and see what happens."

. . . .

Any man who is disposed to discuss his advertising plans with me is not obligated to do business. We are, I hope, reasonable business people . . . not "high pressure" salesmen. None of our clients is tied up by a contract to do this or that. We try to work with a new client and so gain his confidence that he will have the same measure of trust in our judgment and ability as have customers with whom we have been working for twenty-five years. It does mean something in competence and ability to turn out new advertising week after week, month after month and year after year.

Thornton Purkis

Advertising and Sales Counsellor.

ADEL. 6221 330 BAY STREET, TORONTO

Since 1857
James Richardson & Sons
LIMITED
Grain Merchants
Shippers and Exporters
HEAD OFFICE
WINNIPEG
Branches Throughout Canada

McCabe Bros. Grain Co.
LIMITED
Winnipeg, Canada
CANADA'S MOST COMPLETE GRAIN SERVICE
Specialists in Forage and Pea Seeds
VICTORIA FEEDS
OFFICES:
DULUTH, MINNEAPOLIS, PORT ARTHUR, REGINA, EDMONTON

TORONTO ELEVATORS
LIMITED
MASTER FEEDS
GRAIN
LINSEED & SOYA OILS
Also Owning and Operating
THE SARNIA ELEVATOR CO. LIMITED
SARNIA ONTARIO
QUEEN'S QUAY, TORONTO

The WESTERN SAVINGS and LOAN ASSOCIATION
HEAD OFFICE: WINNIPEG, MANITOBA
OFFICES
Agency Building — Edmonton, Alta.
221 A 8th Ave. W. — Calgary, Alta.
McCallum-Hill Building — Regina, Sask.
411 Avenue Building — Saskatoon, Sask.

HALLET & CAREY LIMITED
GRAIN SHIPPERS AND EXPORTERS
GRAIN FUTURES
Owners and Operators
Fort William Terminal Elevator Co. Ltd.
and Powell Transports Ltd.
Head Office—563 Grain Exchange, Winnipeg, Man.
Branch Offices—Fort William, Ont., Montreal, Que.

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning directly or through subsidiary companies, mills at
Beaupre, Que. — Iroquois Falls, Ont.
Pine Falls, Man. — Smooth Rock Falls, Ont.
Sault Ste. Marie, Ont. — Fort William, Ont.
Port Arthur, Ont.
Newsprint
Groundwood Pulp — News Sulphite Pulp
High Grade Bleached Sulphite Pulp

SASKATOON
AN IDEAL LOCATION for your POST-WAR PLANS
and no reconversion problems!
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Commissioner S. N. MacEACHERN
IN CO-OPERATION WITH
STAR-PHOENIX — STATION CFQC — WESTERN PRODUCER
SASKATOON — SASKATOON — SASKATOON

Special Report on Unlisted Stocks

(Compiled from quotations provided by Plaxton, McDonnell & Co., Kamm, Garland Co. Ltd., and Kippen & Co. Inc.)

	1942 Bid	1942 Asked	1943 Bid	1943 Asked	1944 Bid	1944 Asked
Aikenhead Hardware	....	....	....	....	$75.00	$80.00
Allens Kingston Units	$63.00	$66.00	$65.00	$70.00	69.00	....
Do., St. Catharines Units	55.00	58.00	52.00	....	54.00	....
Do., Toronto Preferred	34.50	37.00	35.00	....	36.00	40.00
Anglo-Can. Tel. "A"	7.50	8.25	8.75	9.50	9.25	10.50
Atlas Steels Com.	19.00	21.50	25.00	26.50	39.00	42.00
Do., pref.	105.00	106.50	107.00	109.50	108.00	110.00
Brandam Henderson	3.00	4.00	4.00	5.50	6.50	7.25
B. C. Sugar	66.00	....	73.00	78.00	87.00	88.00
B. C. Telephone 1st pf.	103.00	....	112.00	....	116.00	....
British American Assce.	50.00	52.50	50.50	....	55.00	....
British Mortgage & Trust	115.00	125.00	125.00	135.00	138.00	....
Brockville Loan & Savings	43.00	....	45.00	....	49.00	....
Canada Life Assce., div. $20	300.00	327.00	360.00	....	400.00	425.00
Can. Machinery Com.	8.50	10.00	6.75	8.50	7.00	8.25
Canada Paving 1st pfd.	.90	....	2.00	....	3.00	5.00
Canada Tea pfd.	28.00	35.00	40.00	....	46.00	....
Can. Co-op. Woolgrowers	8.25	9.50	8.50	....	8.00	10.00
Canadian Fire Ins.	70.00	78.00	73.00	....	78.00	....
Can. Industries "A" com.	148.00	151.00	157.00	161.00	153.00	161.00
Do., 7% pf.	161.00	165.00	170.00	....	168.00	171.00
Can. Ingersoll Rand	61.00	65.00	53.00	63.00	59.00	62.00
Can. Investors Corp.	4.25	5.00	5.35	6.00	6.25	7.25
Can. Machinery com.	7.25	9.50	6.10	8.00	7.25	8.00
Can. Motor Lamp "A"	6.75	8.00	8.50	9.50	8.00	9.00
Can. Western Lumber	.20	.35	.50	....	1.30	1.70
Can. W. Natl. Gas L. H. & P.	25.00	....	30.00	34.00	34.00	....
Do., preferred	104.50	107.00	104.00	108.00	105.50	108.00
Capital Trusts	....	....	30.00	....	42.00	....
Capital Wire Cloth, pfd.	18.00	....	17.50	20.00	21.00	24.00
Cassidy's Ltd., pfd.	....	....	53.00	....	110.00	....
Cawthra Apts. Units	2.50	3.50	3.00	4.00	3.50	5.00
Chase, A. W., pfd. bonds	17.00	18.50	16.00	....	26.00	31.00
Claude Neon, 7% pfd.	2.00	3.00	6.50	....	39.00	41.00
Colonial Realty, c.	2.50	....	3.00	....	3.50	....
Colonial Steamships	48.00	50.50	62.00	65.00	75.00	78.00
Commercial Fin. com.	5.50	6.50	7.25	8.25	8.00	9.00
Commercial Life, 10% paid	....	....	....	....	7.00	9.50
Confederation Life, 30% paid	123.00	128.00	125.00	133.00	135.00	145.00
Continental Life, 20% paid	30.00	34.00	27.00	31.50	31.00	35.00
Copeland Flour	15.00	17.00	15.00	17.00	25.00	....
Corporate Inv.	5.00	6.00	5.75	6.25	5.50	6.50
Crown Life, fully paid	250.00	264.00	250.00	....	280.00	....
Crown Trust	60.00	....	59.00	....	61.00	....
Deb. & Sec. pfd.	61.50	....	75.00	....	92.00	....
Detroit Inter. Bridge	....	....	....	....	12.00	14.00
Dominion Life, 50% pd.	177.00	200.00	175.00	....	170.00	200.00
Dom. of Can. Gen. Insce.	124.00	130.00	125.00	140.00	145.00	....
Dover Industries	6.75	8.00	8.50	9.25	8.00	9.00
Dunlop 5% pfd. (par $25)	17.75	19.50	24.25	25.25	26.00	27.25
Eastern Trust	150.00	....	145.00	....	155.00	....
Eastern Steel, 5% pfd.	20.00	22.00	20.00	22.00	21.00	23.50
Easy Washing Machine, 7% pd.	8.00	10.00	9.50	10.50	11.00	....
Edmonton Stock Yards Units	....	....	....	....	60.00	70.00
Empire Life, 25% paid	4.25	5.25	8.00	9.00	14.00	16.00
Excelsior Life, 40% paid	67.00	72.00	77.00	....	87.00	....
Fed. Foundries old com.	.10	....	.12	.16	....	.25
Do., new common	....	....	....	....	....	2.50
Foreign Power Secs. pfd.	....	....	....	....	11.00	13.00
Galt Brass, com.	10.00	12.00	12.00	....	16.50	....
Goderich Elevator	7.50	9.00	11.00	12.00	12.75	14.00
Great Lakes Power pfd.	101.00	104.00	111.50	113.50	114.50	117.00
Great West Life	210.00	222.00	250.00	....	275.00	300.00
Grey & Bruce Trust	45.00	....	47.00	....	50.00	....
Guaranty Co. of N. A., fully paid	220.00	....	200.00	....	200.00	....
Guardian Realty pfd.	13.00	18.00	19.00	....	23.00	26.00
Guelph & Ont. Inv., par $50	50.00	53.00	49.00	....	52.00	55.00
Gurney Foundry pref.	1.50	1.90	1.50	1.80	2.25	2.75
Halifax Fire Ins.	14.25	15.25	14.50	16.50	16.25	....
Hart Battery com.	5.25	6.00	5.50	6.75	5.00	7.25
Highland Dairy, 5% pfd.	....	45.00	51.00	....	55.00	....
Homewood Sanitarium	80.00	....	85.00	....	92.00	....
Imperial Life	240.00	265.00	250.00	265.00	275.00	310.00
Industrial Mtge. & Trust	....	27.00	25.00	....	38.00	....
Ingram & Bell pfd.	88.00	....	92.50	....	93.00	....
Inter. Utilities, $3.50 pfd.	....	....	....	....	55.00	58.00
Lambton Loan	33.00	36.00	35.00	40.00	46.00	....
Loblaw Groc. Inc.	11.85	13.00	10.00	10.50	13.00	14.25
London & Western Trusts	30.00	32.00	37.00	....	47.00	....
Manufacturers Life	215.00	223.00	240.00	....	255.00	275.00
Maritime Tel. & Tel., com.	11.50	....	12.50	....	16.25	....
Midland Loan & Savings	14.00	16.00	14.00	17.00	14.00	17.00
Moirs Ltd., 6% pfd.	18.50	21.50	40.00	....	82.00	....
Monarch Life, 20% paid	31.00	34.00	35.00	40.00	45.00	....
Monarch Mortgage units	1.00	2.00	1.50	2.50	2.00	3.00
Montreal Trust	....	....	63.00	....	66.00	73.00
Morrison Brass Units	5.75	6.50	10.50	13.50	11.50	14.00
Morrow Screw, com.	14.00	....	14.00	....	16.00	19.00
Do., preferred	99.00	102.00	100.00	....	102.00	105.00
Mountainview Apts. pfd.	2.50	....	4.00	....	6.00	....
Mount Royal Hotel, com.	2.75	4.00	3.00	3.75	6.00	7.00
Nat. Drug & Chemical com.	.50	....	1.50	2.00	3.75	4.75
National Hosiery pfd.	.95	1.20	1.00	....	3.50	4.75
National Hosiery, com.	.90	....	.95	....	2.00	....
National Life, 25% paid	7.50	10.00	10.00	....	20.00	26.00
Neilson, Wm., com.	10.00	....	11.00	....	13.00	....
Do., pref.	100.00	....	101.00	....	102.00	....
New Brunswick Tel., com.	11.00	....	11.00	13.50	11.00	13.00
New Method Laundry, pfd.	74.00	....	76.00	....	94.00	111.00
Northern Am. Elev., 1st pfd.	85.00	....	72.00	....	87.00	....
Do., 2nd pfd.	25.00	....	20.00	....	24.00	....
Nor. Ont. Power pfd.	70.00	75.00	....	....	....	....
Northern Telephone	1.00	1.50	1.00	1.50	1.15	....
Office Specialty, pfd.	75.00	....	75.00	....	95.00	....
Ont. Tobacco Plant. Units	16.00	18.50	17.00	....	16.00	19.00
Pacific Coast Terminal	....	6.50	6.50	....	13.00	15.00
Paramount Kitchener pfd.	50.00	....	49.00	....	54.00	....
Do., Oshawa pfd.	....	....	82.00	....	90.00	....
Premier Trust	27.00	29.00	38.00	41.00	50.00	54.00
Provincial Paper 7% pfd.	94.00	96.00	100.00	102.00	106.00	108.50
Prudential Trust	....	....	3.00	....	3.50	5.50
Royal Trust	....	....	65.00	....	80.00	....
Ruddy, E. L., pfd.	6.00	....	26.00	....	80.00	....
Sawyer Massey	.15	....	.25	....	1.00	1.50
Seiberling Rubber, com.	....	....	....	....	3.50	6.00
Sherbrooke Trust	....	....	120.00	....	130.00	....
Sincennes McNaughton	1.75	....	2.00	2.75	2.00	2.75
Sovereign Life, 25% paid	10.50	12.00	15.00	....	26.00	30.00
Standard Fuel, com.	1.00	....	1.00	....	1.25	3.25
Do., 6½% pfd.	51.00	53.00	68.00	....	89.00	96.00
Stedman Bros., 6½% pfd.	53.00	56.00	55.00	58.00	61.00	....
Sterling Trusts	51.00	53.00	55.00	....	80.00	84.00
Strand Hamilton Theatre pfd.	....	....	71.00	....	82.00	....
Sun Life Assce.	232.00	249.00	300.00	330.00	330.00	345.00
Third Can. Gen. Inv.	1.55	1.85	2.30	3.00	2.90	3.40
Toronto Carpet pfd.	69.00	73.00	72.00	....	77.00	....
Toronto General Insce.	4.00	5.50	4.25	5.50	5.25	6.50
Trusts & Guarantee	28.00	31.00	37.00	40.00	55.00	....
Union Stock Yds. Sask. 6% pfd.	....	....	....	....	100.00	110.00
Do., common	....	....	....	....	20.00	....
United Farmers Co-op.	3.00	3.50	3.00	....	3.00	4.00
United Steel "A" pfd.	23.50	24.75	22.50	23.75	25.00	26.50
Viceroy Mfg., pfd.	23.00	....	23.50	26.00	24.00	26.00
Do., common	12.50	....	16.00	22.50	17.00	....
Victoria Trust & Savings	62.00	68.00	73.00	80.00	89.00	....
Waterloo Manufacturing	3.00	....	3.35	4.25	4.00	5.50
Waterloo Trusts & Savings	100.00	....	100.00	105.00	101.00	105.00
Wentworth Radio new com.	....	....	....	....	1.20	2.00
Western Assce. com.	35.00	38.00	45.00	....	52.00	56.00
Do., preferred	41.00	44.00	41.00	44.00	41.00	44.00
Western Grain com.	....	....	.60	1.05	.70	1.10
Western Grain pfd.	7.75	9.00	29.50	31.00	35.00	37.00
Western Life	11.00	13.50	12.00	....	12.00	15.00
Weston (Geo.) Holdings Ltd.	2.00	....	2.00	....	2.50	....

Turner Valley Oil Sells Some Acreage

Negotiations were recently completed for disposal of 29 acres in the N.W. 1-4 section of 3-21-3-w5, south of the north branch of Sheep Creek for a royalty interest, Hugh Melvin, president of Turner Valley Oil Co. reports for the year ended Sept. 30, 1944.

Negotiations were carried on for leasing part of its property in the west of Turner Valley, but plans were not completed.

Company's revenue of $1,009 was derived from interest earned, as against total expenditures of $959, leaving net profit of $50. Balance sheet as at Sept. 30, 1944, showed current assets of $32,166, comprising cash of $1,136 and Dominion of Canada bonds and accrued interest of $31,030. Current liabilities totalled $35.

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Bottleneck at Lakehead Is Still Giving Trouble

All-Rail Movement of Western Grain to Eastern Points Will Continue Through Winter at Full Car Capacity — Now Loading 150 Cars a Day

From Our Own Correspondent

WINNIPEG—With the beginning of the new year, transportation is still the limiting factor in the disposal of western grain, and bottleneck conditions in lakehead terminals are still giving trouble.

Large as was the movement down the lakes during the past season of navigation, it was still insufficient to take care of eastern and export demands. As a result an all-rail movement of grain from the head of the lakes to eastern destinations has been on a considerable scale. and is expected to continue during the winter at as large a rate as the railways can handle.

About 150 cars a day are being loaded at the different terminal elevators to take in grain, for it is a much more arduous task to elevate, weigh and inspect individual car loads than to perform the same tasks with cargo loads of grain. In addition, elevator trackage that would ordinarily be occupied with cars for unloading has to be given up for the loading of cars. Labor at terminal elevators still insists on working only eight hours a day.

Under these conditions grain unloading at lakehead terminals has dropped to about 700 cars a day. There are now some 11,000 cars of grain on tracks, of which about 5,000 are at the lakehead, and progress in reducing these numbers will be slow.

New loadings in the country are possible only to the extent that cars are unloading and released at the lakehead. The temporary embargo which was imposed by the Canadian National Railways on loading cars destined to the lakehead has been discontinued, but the real restriction on country loadings is to be fouhd in the rate of unloading at terminals.

To enable the railways to give as large a percentage as possible of cars to points in Saskatchewan and Alberta, the Canadian Wheat Board has forbidden the loading of oats and wheat in Manitoba for Port Arthur and Fort William, and the daily loadings of all grains in that province for any destination are restricted to 100 cars.

Movement of barley is quite unrestricted, presumably with the object of getting enough forward to satisfy the requirements of the feeds administration or for barley to be shipped to eastern Canada. Maltsters are taking all barley suitable for malting, and much of this is being accumulated in special bins in terminal elevators for spring shipment to the United States. There is, however, a good deal of sprouted and frosted barley from Manitoba, suitable for nothing but feed, which is going into the feed trade.

See Deliveries Gaining

Deliveries of grain by farmers are expected to increase this month. At many points, for income tax reasons, farmers have been delaying deliveries in order that proceeds of sale should not be added to taxable income for 1944.

Argentine wheat production for 1944 is now estimated at 167 million bushels as against 250 millions the preceding year. Taking into account the crop failure of Australia southern hemisphere production was extremely low. This is in contrast with the bountiful production of North America. It has been pointed out that the major grain crops of the United States gave a total production last year of over 6,000 million bushels, as against a 10-year average for the preceding period of 4,600 millions. Prospects for the winter wheat crop of the United States are still regarded as glowing.

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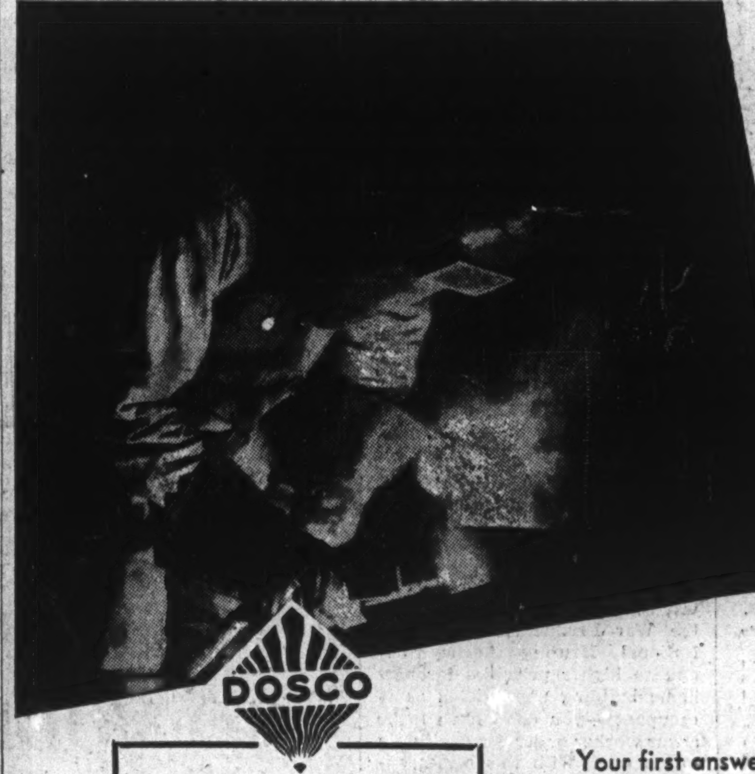

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Bolts, Nuts, Rivets, Washers,
Barbed Wire, Bale Ties, Wire Rods,
Wire (Coarse and Fine Gauges)
Wire Nails (Standard and Special Pattern),
Cut Nails, Tacks, Staples
Nipples and Couplings
Pipe (Wrought Iron, Copper Bearing Steel, Black and Galvanized),
Shipbuilding and Ship Repairs,
Railway Freight Cars,
Bridges and Towers, Steel Structures.

Your first answer to the above question is probably "His Wife!" But on what does she spend them? Largely on food, clothes and other household supplies and appliances . . . which are shipped to her from all parts of Canada. So what Canadian can truly say it is of no importance to him whether or not this Maritimer is employed?

And multiply this man's wages by those of 29,000 employed by Dosco . . . and add some $57,000,000 paid out annually by this Company for the products and services of other industries, transportation companies etc. . . . it makes a total of over $100,000,000 pumped through the veins of Canada every year Dosco is busy.

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INCOME TAX

Legal Expenses

Recently I had my will drawn. May I deduct the legal expense involved from my income for income tax purposes?

No. This is not allowed as a deduction from income for tax purposes, but is regarded as a personal expense.

Year-end Dividend

If a dividend is payable Dec. 31, 1944, which comes on Sunday when it is impossible to receive the proceeds, should the income therefrom be charged against 1944 or 1945?

Dividends are taxable in the year in which the company makes payment to you, 1944, even though you dont receive the funds until the first of the next year. It is probable, however, your cheque was dated Dec. 30 not Dec. 31.

INVESTMENTS

Bathurst

Would you please let us have a report on Bathurst Power & Paper Co., Ltd.?

Bathurst Power & Paper Co. manufactures at Bathurst, N.B., for sale in domestic and export markets, various types of cylinder boards, kraft liner and kraft corrugating boards, high-grade unbleached sulphite pulp. Production for 1944 is expected to exceed the total of 115,000 tons of wood products made in 1943. Profit results to date in 1944 have not been so satisfactory. Earnings before Dominion taxes for the first nine months of 1944 totalled $440,980 compared with $699,482 in the corresponding period of 1943. Due to a reduction in the rate of depreciation to 5% from 6% in 1944 to comply with a ruling of the tax authorities, last year's earnings for the nine months were $48,934 higher than they would have been otherwise. Dominion tax liability has not yet been settled, but providing for taxes on the basis of 40% of net profits, earnings of 66 cents a share on the outstanding "A" stock are indicated for the first nine months of 1944, compared with $1.05 a share in like period of 1943. Working capital at the end of September of 1944 approximated $4½ millions.

The decline in profits last year was due entirely, according to officials, to the continued squeeze between rising costs and ceiling prices. Under a Labor Board ruling, wage rates were further increased last year. Also, price of coal, which the company uses in its steam plant was increased in 1944. At one time, Bathurst was primarily a producer of newsprint, and, although activity was mainly centred on other types of wood products in 1943, 24,000 tons of newsprint were sold that year. The price of newsprint was increased by $8 a ton in 1943, but the company was unable to obtain any important benefit last year, because on instructions from the Wartime Prices & Trade Board at the start of 1944, Bathurst discontinued production of newsprint in order to free its equipment for increased production of kraft liner and corrugating boards which are in short supply at present. On Feb. 14, 1944, an $8 a ton increase in the export price of unbleached sulphite pulp was authorized, but the limited benefit from this has been offset for the company by the increase in costs generally last year, while prices of other products sold by the company have been held unchanged.

The fact that the company is able to produce a widely diversified group of products is a factor in its favor, under normal conditions. Although war's end will see Scandinavian pulp returning to the United States markets, to compete with Canadian pulp, the company faces prospects of continued active operations for some time. Profits outlook must depend upon tax, price, costs, and other factors.

Kerr-Addison

I would appreciate very much your ideas on the long-term prospects for Kerr-Addison Gold Mines which has been mentioned to me as possessing substantial expansion possibilities.

While earnings of Kerr-Addison Gold Mines at present are running only about 15c. a share a year, current earnings give little indication as to what the company may be expected to do in more normal times.

Not only has the labor shortage forced a reduction in daily milling rate from 2,200 tons to 1,200 tons, but it has become necessary to mine ore from the more accessible places adjacent to the shaft and this has resulted in a material reduction—about 20%—in the average grade of ore sent to the mill. Operating costs have been adversely affected by reduction in the daily mill rate and the less efficient character of manpower presently available. However, all of these are short-term factors and few will deny the company an ability to earn 50c. a share or better with the present mill and treating a mine average grade of ore.

Prospects are generally considered bright for major expansion at Kerr-Addison after the war. Delivery of a great tonnage of ore to the mill always presents problems, but it would appear that eventually the mine can be developed to deliver 4,000 tons of ore daily or better. This would suggest an earnings level of perhaps around $1 a share per annum but exploration at depth has been indicating an upward trend in gold content of ore and possibly the company will forge ahead toward a $1.50 a share earnings mark in postwar years.

Working capital at $3.5 millions should be more than ample to take care of postwar expansion plans.

CONSULTING VICE-PRES.

Matthew N. Chappell, New York, becomes consulting vice-president of Elliott-Haynes Ltd., Toronto and Montreal, research agency in advertising, marketing, public relations of large industries and listener-reader mental attitudes. Dr. Chappell has been a consultant to Elliott-Haynes since June 1 last.

Frobisher Exploration

Please outline for me in a general way the position of Frobisher Exploration Co. in Yellowknife and the company's financial position and backing.

Frobisher Exploration Co., next to Giant Yellowknife Gold Mines and possibly Consolidated Smelters, appears to have about the most important stake in Yellowknife of any company now operating in the Yellowknife area. Owning approximately a million shares of Giant Yellowknife, the company has close to one share of Giant behind each two of Frobisher shares outstanding as there are only 2,354,089 of Frobisher shares issued so far.

Besides owning this substantial interest in Giant—and a substantial interest in numerous other mining undertakings across Canada—the company owns an important section of ground to the north of Giant Yellowknife which, in many respects, may constitute the finest untested prospecting ground available in the Yellowknife area.

Little work has been carried out on this ground so far due to the shortage of skilled labor but a recent diamond drill hole on the ground immediately north of the Giant has returned an intersection of 1.02 oz. gold across a width of 2.5 ft. At last report there was approximately $500,000 in the Frobisher treasury or approximately the amount required for the company to take up its allotment of Giant shares under the recent offering announced of rights. Backed by Ventures Ltd., Frobisher has access to further funds of its parent company.

CPR Common

Could you make an approximation of Canadian Pacific Railway earnings for 1944 at this time and give the reason for the stock selling on such a low earnings-price basis as compared with some other stocks.

Earnings in 1943 on the common stock of Canadian Pacific Railway amounted to $2.83. Gross operating earnings of the company for the first 10 months of this year showed an increase of $23,750,201, or 9.80%, and net operating earnings, after giving effect to retroactive wage increase, showed a decline of $6,223,627, or 16.12%. November gross operating earnings showed a slight decrease from last year, but gross for the first 11 months of 1944 was up nearly 9%. In view of the fact that revenue from dividends on the company's holdings of Consolidated Mining stock will be the same as last year, and inasmuch as other revenue may show no very important change, indications are that the earnings for the full year 1944 should be shown at $2 a share on the common or better.

After the war, traffic revenues will decline from the war-stimulated peak of recent years, considerable expenditures on new equipment and other outlays will be necessary, bus and truck competition will be revived, and wage rates will be higher than before the war. The market evidently has been taking such factors into consideration.

Tramways Bonds

I see that Montreal Tramways 5% bonds of 1955 are quoted as payable in U. S. funds, but in presenting coupons to the banks they will allow Canadian funds only. Which is correct?

The Montreal Tramways 5% general mortgage sinking fund bonds of 1955 are divided into two series—the "A" bonds which are payable as to principal and interest at the option of the holder, at the Royal Bank of Canada, Montreal, in Canadian funds, or at the agency of the bank in New York in U. S. funds, or in London, in sterling at the fixed rate of $4.86 2/3 Canadian funds to the pound; the Series "B" bonds, which are payable as to principal and interest in Canadian funds only, at the Royal Bank of Canada, Montreal.

In the "Scheme of Arrangement" of 1941, holders of the old general mortgage bonds were asked to accept in exchange for their bonds, on a par-for-par basis, new general mortgage bonds maturing on the same date as the old general mortgage bonds. Two classes of general mortgage bonds were created, the series "A" exchangeable for bonds payable in Canadian, U. S. funds or English sterling, owned by foreign holders who were resident outside Canada on April 17, 1941, and still were when the plan became binding; series "B," payable in Canadian funds only, to be issued to holders resident in Canada on the above date.

Mining Concentrates

Aumo Porcupine Gold Mines advises that a new program of diamond drilling has got under way on property in Denton twp., Porcupine area. Additional surface work is being done.

• • •

Aumaque Gold Mines reports that drill hole No. 61 has reached a depth of 830 ft. with footage 680 to 805 showing mineralized core which has been sent out for assay. The hole is being put down about 100 ft. east of Nos. 59 and 60 in an effort to intersect the ore zone outlined in hole No. 59.

• • •

Aubelle Mines has advised the Toronto Stock Exchange that payment has been received covering an additional 50,000 shares under option agreement with Federal Trading & Agency Ltd. Balance of agreement comprises an option on 135,000 shares, exercisable by Nov. 22, 1945. Issued capital is 2,365,005 shares.

• • •

Croinor Pershing Mines has completed latest drill hole which has extended the known length of No. 1 vein to 850 ft., it is reported. The hole returned an average of $10.01 across a width of 6.1 ft. The No. 1 vein has been developed by five surface trenches and 16 drill holes over the above length to a depth of approximately 300 ft. The average width is placed at 10 ft. and the grade at approximately $10 per ton, it is reported. Drilling is to be resumed to the west. A mining plant has been purchased and will be moved to the property in preparation for shaft sinking when restrictions are lifted.

• • •

Dorbaska Gold Mines advises that a magnetometer survey will be conducted along the north contact of the intrusive body for the purpose of picking up the greenstone contact, as well as any mineralized quartz veins lying in either syenite or greenstone. A diamond drilling campaign has been recommended by the mine engineer to follow the survey.

• • •

Goldora Gold Mines reports that elaborate sampling will be required to arrive at an average value of ore showings on its Bourlamaque property. Officials point out that some type of test milling will be necessary to complete a report. Drill hole No. 10 was completed at a depth of 657 ft. with samples sent out for assaying. Hole No. 11 has been spotted 200 ft. west of the Valdora boundary.

• • •

Headway Red Lake Gold Mines expects to commence testing its Red Lake property by diamond drill as equipment is being flown in with work to commence in the next few days. The company is reported to have uncovered an important surface showing through recent development.

• • •

Lake Shore Mines reports estimated net profit of $357,209 or 17.8c. per share in the three months ended Sept. 30, 1944. Costs amounted to $565,501 and taxes and depreciation to $177,771. Earnings after depreciation were not reported for the comparable quarter of 1943, but operating profit was $628,983 against $534,980 in the Sept. 30, 1944, quarter. Bullion production totalled $1,100,480 from 65,704 tons treated, an average recovery of $16.75 gold in the quarter ended Sept. 30, 1944, compared with $987,921 from 64,911 tons treated, an average of $15.22 in the June, 1944, quarter and $1,206,421 from 71,503 tons treated, an average of $16.87 in the three months ended Sept. 30, 1943.

• • •

Metalore Mining Corp. advises that additional diamond drilling has been recommended by G. R. McLaren, consulting engineer. Heavy overburden is reported to have hindered previous drilling, and in order to conserve funds the company had resorted to further surface prospecting to locate the best drilling sites.

• • •

Mylake Mines is planning a diamond drilling campaign on its property in Grenfell twp., Kirkland Lake area, it is reported. Property was geologized during the summer and holes were spotted for the drilling program. Operations under former owners included shaft sinking to 250 ft. and some 600 ft. of lateral work at the 125-ft. horizon.

• • •

Novell Porcupine Mines reports that development has been concentrated on an 8-ft. wide quartz vein running parallel to the carbonate zone on its Midlothian twp. property. Samples have been cut and sent out for assaying. Camps have been built in anticipation of the diamond drilling campaign which is scheduled to start early in January to prove up the existence at depth of values found on surface.

• • •

Snow Lake Gold Mines has been incorporated to develop a block of 28 claims adjoining Howe Sound's Nor-Acme property on the east in the Snow Lake section of Manitoba. Surface work is being conducted preparatory to inaugurating diamond drilling. Exploration in the fall uncovered a shear zone with trenching at intervals returning $11.90 over $16 close to the Howe Sound boundary, $10.15 over 8 ft. some 400 ft. further east, $5.95 over 9 ft. another 400 ft. to the east and $4.20 over 14 ft. another 700 ft. further east.

CHART IMPLICATIONS

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BUT ACT NOW

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It is not wise to be
A MAN WITHOUT A WILL

THE ROYAL TRUST COMPANY

CORPORATE SECURITY — PERSONAL SERVICE

Offices across Canada from Coast to Coast

... and then came

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We don't know when the new cars are coming out, but we do know this: When civilian cars and trucks again come rolling off the assembly lines, The Star Weekly will be the auto industry's leading advertising "buy."

Why? Because, since civilian production was "frozen" in 1942, The Star Weekly's circulation has grown from 585,000 to 750,000! Because The Star Weekly now covers *over half* of all Canada's English-speaking families in the rich urban centres. Because, with 2,600,000 regular readers, The Star Weekly has over two-and-a-half times the readership of any Canadian magazine. Whatever *your* business, it's just plain "good business" to concentrate on The Star Weekly market.

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Over trackless terrain and shell-shattered roads, Studebaker vehicles are giving new proof with every passing day of the stamina that has characterized Studebaker equipment for nearly 93 years.

And in like manner on the home front, owners continue to be amazed at the surviving soundness and exceptional operating economy of the Studebaker motor cars and motor trucks that were in service when the war began.

At this time, when all automotive equipment must meet the acid test of wartime conditions, the Studebaker reputation for reliability grows in stature.

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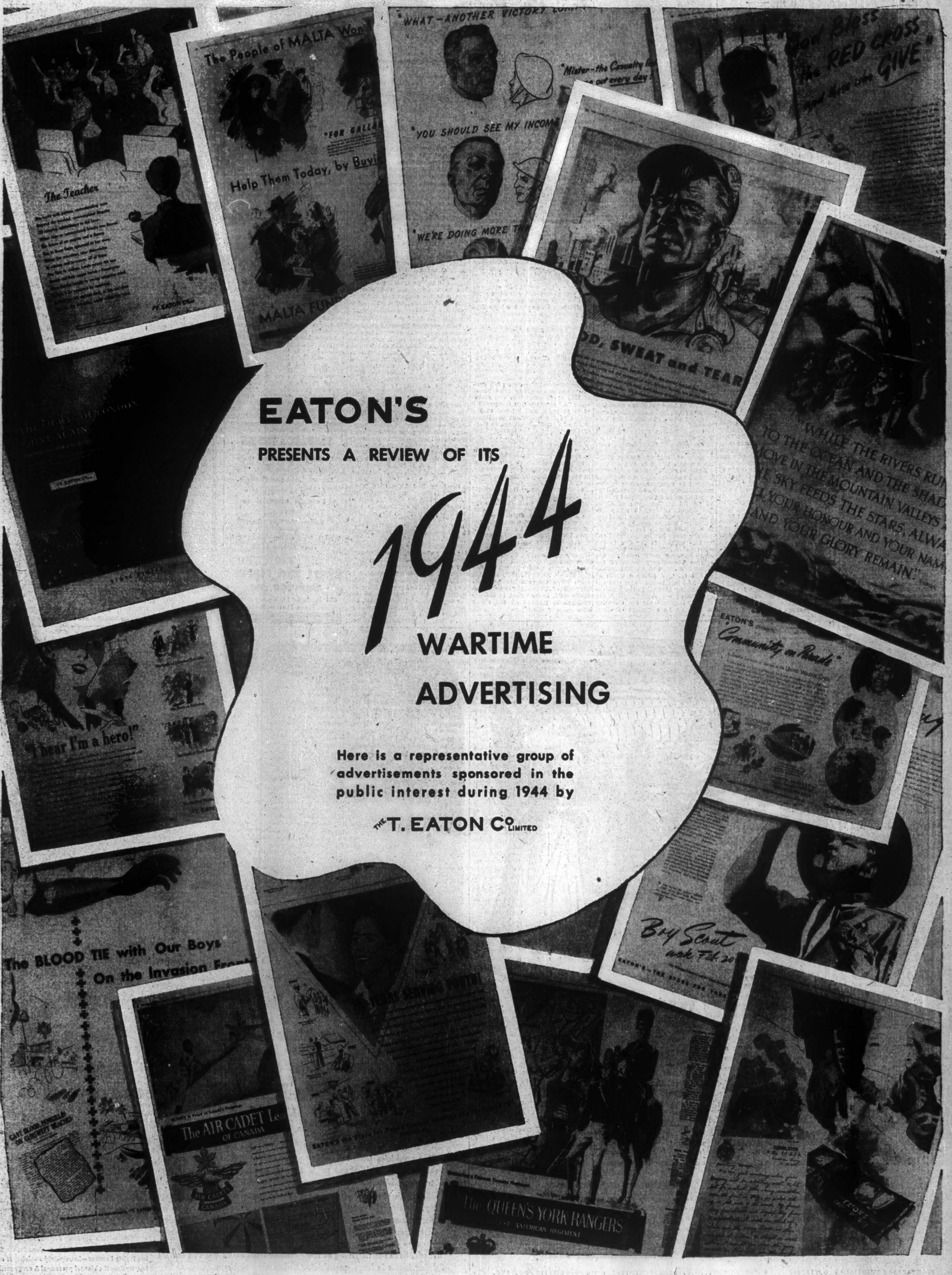
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1944
WARTIME
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The Teacher
The People of MALTA Won
Help Them Today, by Buyi
MALTA FUN
WHAT—ANOTHER VICTORY LOAN
"YOU SHOULD SEE MY INCOME
WE'RE DOING MORE TH
"God Bless The RED CROSS And those who GIVE"
OD, SWEAT and TEAR
"WHILE THE RIVERS RU TO THE OCEAN AND THE SHAD MOVE IN THE MOUNTAIN VALLEYS THE SKY FEEDS THE STARS, ALWA LL YOUR HONOUR AND YOUR NAM AND YOUR GLORY REMAIN."
EATON'S Community on Parade
"I hear I'm a hero!"
The BLOOD TIE with Our Boys On the Invasion Fron
The AIR CADET Le OF CANADA
Boy Scout Week Feb. 20
The QUEEN'S YORK RANGERS 1ST AMERICAN REGIMENT

THE FINANCIAL POST

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What's in Prospect for 1945?

Uncertainty . . . . Says Business

Until the fighting ends in Europe at least Canadian industry will concentrate on war production. Factories and farms will be working top speed to turn out munitions, equipment and food for the military forces of the United Nations, with little likelihood of any new "extras" left over for the civilian population. So long as the war lasts the pattern for 1945 will closely follow that of 1944.

That is the general prediction of the 68 Canadian leaders in industry, business and finance quoted on this and subsequent pages. The picture these top flight executives paint for 1945 is a sober one of hard, steady work and heavy taxes at least until we have beaten Hitler.

After that changes are expected to come quickly, dependent to some extent, of course, on the length of time and the power necessary to wind up the war in the Pacific. Some heavy industry, now totally or almost totally geared to war, expects to need considerable time to reconvert to peacetime production, some like the textile industry can make the change in almost a matter of hours. For the immediate future after the war the vast proportion of Canadian productive capacity, barring that developed specially and solely to supply war needs, is expected to be busy on the backlog of deferred civilian buying built up during over five years of war. On exactly how long it will take to satisfy that backlog there is considerable disagreement, on the tremendous size of it very little.

A. F. Baillie

President and managing director, Dominion Oilcloth & Linoleum Co.

The linoleum industry in Canada is fully alive to the problems facing it in 1945, and has planned as far as possible to meet those problems.

Largely occupied with war work for years past and knowing that war contracts probably will diminish in the not too distant future, the industry requires several developments to enable it to return to high-volume production for civilian markets. Those developments are: lifting of government controls, reopening of ocean trade routes, and release of shipping to enable the industry to receive materials from all parts of the world.

The industry has carefully studied postwar conditions, so far as they can be foreseen, and has planned accordingly. In postwar Canada, thousands and thousands of homes will be needed: hotels, schools, hospitals, institutions and other large buildings will have to be erected. In all of them there will be a place for linoleum. The industry is ready with both the production and the merchandising facilities appropriate to the markets ahead.

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H. G. Bertram

President, John Bertram & Sons.

The immediate future looks quite favorable for the sale of heavy machine tools and we expect to be working to capacity during 1945. By capacity I mean the limit imposed by the shortage of skilled mechanics. A large proportion of our work is for export but we are finding an increased domestic demand as restrictions are removed.

There appears to be quite a backlog of orders from abroad but at the moment we must depend on our government to make financial arrangements and to fight for a Canadian share of this business.

Building machinery for stock makes us feel the effect of the present heavy taxation.

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S. G. Blaylock

Chairman and president, Consolidated Mining and Smelting Co.

The outlook for Consolidated during 1945 is, like most Canadian industries, tied very closely to the progress of the war in Europe. During the past four years our plants have operated to the very maximum extent that facilities and labor conditions would permit. It had been our hope that we could "ease off" a little in our production rate in 1945 and use the labor so released to do much needed mine development work and general plant rehabilitation. It would appear events in Europe have decreed otherwise and the picture at this date is of continued "all out" production of metals and chemicals and fertilizers.

Regardless of the course of the war one of the big jobs in 1945 will be proper placement of employees who for one reason or another have been discharged from the armed forces. Consolidated yields to no one in its admiration of sacrifice these employees have made and it is the company's sincere intention to do everything in its power to see that their return to civil life is made as easy as possible.

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G. S. Braden

President and general manager, Canada Cycle & Motor Co.

Prospects for 1945 indicate the industry is well able to meet the lessening demand for bicycles which will be due to the probable relaxation of restrictions on other forms of essential transportation.

Manufacturers will be faced with higher costs of less standardized models, and profit margins will be reduced due to ceiling prices.

Retailers' prospects, however, will be improved by the addition of companion lines, viz., children's vehicles and sporting goods, not recently obtainable.

It would appear that the immediate future foretends the need for effecting strictest economies in manufacturing, necessitating increased capital investment to capitalize upon experience gained from war production.

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G. R. Burge

President, Frobisher Exploration Co.

The prospects for mining exploration and development for 1945 will be governed to a great degree by the length of the war and the speed with which reconversion problems can be solved. It is difficult to predict, however, how soon adequate manpower, material and equipment will be available for the many important tasks that lie ahead of us.

Should the foregoing problems be resolved satisfactorily, it is felt the future of exploration and development, both of gold mining and of certain phases of base metal mining, is full of promise and will go a long way towards putting back the national economy of Canada into a state of equilibrium. Apart from the known mineral belts in the older mining sections of Canada, there remains a vast empire, particularly in the Northwest Territories, awaiting the twin challenges of imagination and enterprise to unlock its secrets.

Subject, therefore, to the foregoing qualifications, 1945 may be rich in promise and reward for all Canadians appreciative of their heritage.

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Robt. A. Bryce

President, Macassa Mines Ltd.

The year 1945 will, I think, see a further decline in bullion output by the gold mines of Canada. This will result from a continuation of conditions which have developed since 1941 due, almost entirely, to an ever-decreasing supply of manpower for underground development work, which condition does not at the moment show evidence of any major improvement.

During 1944 the industry began to experience the full force of the shortage of labor which had been developing gradually over the past few years and tonnage of ore passing through the milling plants showed a continuous decline throughout the period. The worst feature of these conditions was evidenced by several operating companies closing down their milling plants because they had insufficient underground staff to provide ore in the quantity required to operate the mills upon the basis of good economics and good engineering practice. Operating profits throughout the industry were adversely affected and there were numerous reductions in dividend distributions as a result.

It is reasonable to anticipate that labor conditions will improve when hostilities in Europe cease and labor of a type suitable for underground work becomes available through men being released from armed forces and war work. There is within the industry a large potential employment for underground labor to catch up on deferred exploration work and underground development. To this extent, therefore, the gold mining industry will be able to offer a substantial amount of employment in the immediate postwar period.

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W. C. Butler

President, Canadian Underwriters' Association and manager Pearl Assurance Co.

The year 1945 will in many respects be a question mark year for the insurance business, due to the uncertainty as to when hostilities will cease in Europe. The end of the war will bring many problems in both the fire and automobile field.

The cut back in government purchase of war materials, if war should end in Europe, will result in many industries having to make severe retrenchments. Values of inventories will decrease, but I do not believe that the loss ratio, which in 1944 has been high, will improve.

The big question mark is the automobile business. If gasoline rationing should be lifted or even less restricted, it will be a serious problem to the insurance companies. The insuring public have enjoyed substantial discounts in rates due to gasoline rationing, and when it was first introduced claims frequency and losses reflected a downward trend; but in 1944 this situation has reversed itself, and claims frequency and loss costs have materially increased. Tires are wearing thinner, and the mechanical condition of the cars is rapidly deteriorating. Added to this is the greatly increased cost of repairs, and higher bodily injury claims. You can readily appreciate that if the traffic on the highways were to suddenly increase, by the lifting of the gasoline rationing, the companies would be faced with a serious increase in losses.

The governments of the respective provinces will, I believe, in 1945 begin to make plans for new safety regulations. Mahitoba is leading the way, and at the session of the Legislature in February a new financial responsibility law will be introduced, patterned to some extent on the law now in effect in the State of New York, with severe penalties to the irresponsible and reckless driver.

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Wallace R. Campbell

President, Ford Motor Co. of Canada.

The year just ended has been, for the most part, one in which Canadian production has striven constantly to match consumption. That applies not only to plants supplying the requirements of war, but to all manufacturers endeavoring adequately to supply a civilian market riding the crest of wartime purchasing power.

As 1944 ends and 1945 dawns, executives, technicians and the 14,000 workers at the Ford plant gird themselves anew for the grim task ahead.

Grim, indeed, that task appears. The fluid situation on the western front in Europe, admitted by allied generals to be serious of itself and in portent, is proof enough that this war is by no means won and that those of us who let up at home inevitably let down the boys over there.

In the circumstances, it is impossible for anyone to predict what, exactly, will be the course of business in Canada during 1945. Any return or partial return to wider civilian production in 1945 depends entirely on war developments.

My thought for this particular New Year is that we can best serve our country by spurning all wishful thinking and buckling down to war work, to victory bond purchases and to blood donations as never before.

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C. W. Churchill

President, Chrysler Corp. of Canada.

If as our statesmen predict, Germany is defeated by next summer, the 12-month period that lies ahead will certainly bring its joys—and problems. While victory in Germany may be achieved before the end of another year, we have the Japanese forces to overcome, and I believe it is a mistake to be too optimistic about the quick defeat of Japan after Germany is beaten. We can be confident of beating Japan, but that confidence should not result in a desire to immediately rid ourselves of all war activities and production on the home front when Germany alone surrenders.

The Canadian people have displayed a fortitude, courage and industry second to none during this World War. Here we have shown for all the world to see that free men can join together in a common cause, deprive themselves of liberties temporarily and still remain free.

Canada has never been subjected to rule by one man or one small group and it will never know such rule if the Canadian people remember that they as a whole are responsible for this country's growth to a leading rank among the nations of the world. If they are conscious of their proved ability to choose the right and the wrong Canadians can, if they will, continue to govern themselves and choose by themselves the path to greater prosperity and comfort for all who live in this great Dominion.

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C. Gordon Cockshutt

President, Cockshutt Plow Co.

Regarding the outlook of the agricultural implement industry for the new year, domestic requirements, plus UNRRA demands, plus war veterans' settlement needs will keep the industry fully occupied during the 1945 period. The matter of securing necessary labor and materials will probably be the greatest worry.

This industry along with many others is still actively producing munitions and they will be kept occupied on many of these lines for the balance of the year according to present prospects. It would be futile to express any opinion as to conditions beyond this stated period.

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H. M. Cowan

General merchandise manager, Loblaw Groceterias Co.

Industrial prosperity is still the basic foundation for a sound economy in the food distribution trade. Without knowing what "restricted regulations" will be retained on general business in the postwar period, it will be difficult for the food industry to realize all the promise of expansion which is in store for it.

As long as merchandise is obtainable and wage earners have the buying power which they have today, business will be "good."

In the food business, satisfactory results can only be obtained in the future, according to the ability of Canada's economic structure to keep the people usefully employed. If this can be accomplished, the resulting demand for foods as well as all other essential commodities will continue to be good. The trend unquestionably is for greater expansion in the service of economic food distribution.

With this hope, we look forward confidently to the coming years.

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R. H. Davis

President, Atlas Steels Ltd.

Our outlook for the coming year is fair. We already have a sufficient volume of business booked for the first quarter to ensure using our mills and limited labor supply to reasonable advantage. These orders are largely for steels for war uses.

The outlook for the balance of the year depends on the turn taken by the war. Should the war in Europe end in 1945 we anticipate considerable curtailment in our business until such time as postwar manufacturing has settled down to normal peacetime requirements, and the heavy war inventories of steel and steel products have been liquidated.

Our manufacturing facilities have been greatly expanded during the war. As a result, to successfully operate this plant after the war we must produce and sell more steel than the Canadian pre-war market could absorb for our types. Such an attainment can only be hoped for provided there is increased industrial activity in Canada and/or we can develop an adequate export market.

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D. C. Coleman

President, Canadian Pacific Railway.

We do not know what the coming year will bring us. There is the earnest hope, and even the high expectation, that well before it has passed the war in Europe definitely will be over. I do not believe that the period of readjustment which will follow need necessarily be marked by such a pronounced industrial and commercial depression as that which occurred after the last Great War. We still shall have the war in the Pacific before us and it would be unwise to underestimate its very likely serious nature or the length of its duration and the extent to which it will call for a continued, though lessened, production of war material.

It should be remembered also, that this war will have lasted considerably longer than did that of 1914-18 and that the necessity for war production has been far greater and has seriously affected a far wider range of our peacetime industries, with the result that these industries in their effort to catch up with the normal need for non-war products will have before them a task that will take some time to accomplish. These factors should work for a more gradual return to normal conditions, lengthening the period of transition and broadening the possibility of maintaining the ratio of a high percentage of employment.

It is to be hoped, also, that under wide international agreements, foreign demands for products of farm and factory in some important measure will replace those for war materials which have swollen the country's export trade for so long.

Canadian business will enter this period of readjustment in far better shape to deal with it efficiently than was the case a quarter century ago. Both government and private enterprise are richer by the experience then gained.

The part which Canadian railways will have to play in readjustment will be no less important or exacting than that which they have so successfully achieved during the war. They will enter upon the task as greatly in need of new equipment and improved and increased facilities as will any other industry, and the necessity for a wise planning of their future development will be no less important or exacting. This planning not only will envisage the transportation requirements that are to fall upon their shoulders, but will also take into consideration the fact that they necessarily must accept their share of responsibility for the maintenance of as high an average of national employment as is possible under such circumstances as will arise.

For some time now the Canadian Pacific Railway has had a special committee of its officers at work formulating plans for this re-establishment and reconstruction period and its deliberations have covered a wide range of activities. Already it is apparent that much will require to be done if the property and its equipment is to maintain through this period the high standard of efficiency which has marked its operation in the past.

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D. C. Durland

President, Canadian General Electric Co.

It is estimated that more than one third of Canada's hydro-electric output is supplying power for the war effort. When victory is won this power will become available for civilian use—in industry, agriculture, homes and municipalities. Wisely and widely applied, it can go far towards raising the nation's standard of living and equipping Canada for economic survival in what may well prove a highly competitive world.

It is expected that many of Canada's primary industries will increase their use of electricity in the after-victory years. The pulp and paper industry, the mining and manufacturing industries will make greater use of electricity than ever before. The electro-metallurgical industry and the electro-chemical industry continue to take full advantage of this country's exceptional electric power resources.

Rural electrification is slated for rapid expansion. Already more than 120,000 farming families in the Dominion are served by electricity.

(Continued on page 12)

Belt Tightening . . . . Says Ottawa

Looming ahead for 1945, Ottawa officialdom sees the following highlights:

Postponement of any increase in the supply of civilian goods.

Continued easing of wartime restrictions but no assurance that goods or materials will be forthcoming.

Pressure on the price ceiling from both U. S. and U. K.

Challenging decisions ahead on the future of world trade agreements.

The supply situation may be summarized thus: the same amount of "pie" as in 1944, but greater demand for what's available. This applies particularly to textiles (especially cotton goods); civilian tires; consumer durable goods such as washing machines; critical raw materials needed for civilian goods such as steel, copper, brass.

The net result: smaller pieces of civilian "pie" for everyone.

Reasons given are the sudden, panicky upswing in demand for war material from the U. S. British orders remain unchanged or will decline during early months of 1945. This raises conjecture as to how valid is the present U. S. estimate of European war prospects.

Price ceiling maintenance in Canada will be under pressure in '45 on two scores: soaring U. S. prices and the pressure to allow, into Canada, British goods now priced 33 to 75% higher than Canadian ceiling prices.

1945 promises to be a climactic year for Canada in pointing the way toward freer or tighter world trade conditions.

By KENNETH R. WILSON

OTTAWA—There is definitely not going to be as much for civilians in 1945 as seemed likely only a short time ago.

This is especially true of textiles (particularly cotton goods).

It is true of a wide range of durable consumer goods which were billed for production in 1945 and which are now unlikely to appear in any quantity. For one thing, the necessary components won't be available from the U. S., in the quantity and variety that had been expected.

The U. S. Volte-face

The new factor is the extraordinary wave of war demand which has sprung from the United States following a blistering directive from General Eisenhower two months ago.

At first, it was thought this directive had politcal implications—that it was sent deliberately to counteract the wave of conversion and "cut-back" talk which swept this continent about the time Donald Nelson retired from WPTB. Now, underscored by the recent German break-through in Belgium, it is felt that it is something to be treated pretty seriously.

This volte-face in U. S. war planning is directly responsible for the changed picture in Canada. British war demand has not varied greatly despite the changed fortune of war on the European front. True, war orders from Britain which might have terminated already, had the European war been finished in 1944, are being continued, but there is no great new wave of British orders such as has characterized the situation in the United States. For example: British still adhere to their plan to terminate their contract with Canadian copper producers on Jan. 31, 1945. This would have caused a shutdown in two large government-owned plants, had not the United States asked for all-out Canadian copper production to meet their enlarged need.

Too Pessimistic Now?

This raises an obvious question: has the pendulum swung too far in the direction of pessimism on European war prospects for 1945?

It may well be argued that if the generals are as wide of the mark now as they were in late summer, much of the feverish programming for 1945 war expansion and output may prove abortive. Two comments are in order.

(1) It is clear that much of the new demand is based on actual and costly experience as to increased wear and tear on equipment, tires, etc.

(2) It is also obvious that much of the new demand is a straight "hedge" against the possibility that the European war might last through into the second half of 1945, or later.

In Canada, the new U. S. war demand covers for the present merely the first six months of 1945. This contrasts with U. S. domestic planning where a vast new program of plant building and extension for new tire, ammunition and shell capacity is now being undertaken. These new plants cannot possibly be constructed and in production prior to the last or at best the third quarter of 1945. Canada, as in the past, has aimed to keep its war program on a considerably more even keel than has characterized the more violent ups and downs of sentiment and activity in the U. S.

Licenses for What?

The key to civilian production and supply in 1945, will be continued removal of restrictive orders and the free granting of "hunting licenses" for new products or postwar planning.

But it is now clear that these "licenses" aren't going to mean very much due to the new war demand which has developed in recent weeks.

In short, industry and civilian users alike must be prepared for continued postponement of unfilled desires and needs, certainly through the first quarter and probably the entire first half of 1945.

So far as civilian supplies are concerned, there will probably be no actual reduction from the amount available during 1944. But there will be little chance of increase. Taken alongside a steadily rising civilian demand, this means there will be fewer goods. The size of the pie won't change but there will be more people wanting a share. The only answer will have to be smaller helpings.

Tires are a good example. Demand for civilian tires has been rising by leaps and bounds as three, four or five years of mileage have worn tread and carcasses bare. Till now, this has been met by a steady increase in production of civilian synthetic tires. Output in 1944 was about 950,000 compared with 540,000 in 1943.

Until a very few weeks ago, plans were under way to step up production of civilian tires considerably in 1945. This was necessary to meet the rising demand from present "priority" users. It was hoped as well to extend somewhat the list of "eligible" tire purchasers. Now, every ounce of rubber and manpower that can be squeezed out of existing supply is being earmarked for military need. There is no immediate prospect of any new tires being produced for civilian need, over and above the present civilian quota.

Another good example is steel.

Steel, particularly in the form of sheets and plates, enters into a very wide list of "civilian" needs. Yet today, and for the immediate future, steel supplies in Canada are as tight as at any time since the war started. There won't be any replacing of controls or restrictions, so far as can be learned, but there will be postponement of civilian production so far as the "tight" items are concerned.

Copper and brass are critical metals which also play an important part in the civilian economy. There is still an adequate supply of raw metal, but the new U. S. war demand will divert Canadian fabricating capacity away from civilian outlets, again causing postponement of nonwar production.

The direct effect of U. S. war demand on components which Canada must import from that country is illustrated by the case of washing machines. Canadian officials had ordered a larger output of washing machines for 1945. But components are unlikely now to come through from the United States. So Canadian production will suffer accordingly.

Looking at postwar reconversion planning, every attempt will be made to give industry the green light in 1945, but there will be less assurance than heretofore than the green light will be anything better than a "hunting license." The Post is informed that there will be no change in present policy of granting construction permits to any project which needs to be planned in advance for postwar employment. But such a permit will carry with it no assurance of any priority in materials or manpower with which to complete or even commence the project.

Pressure on Prices

Important problems for the price ceiling loom ahead for 1945.

There are two points of pressure. (a) The steady rise in prices in the United States and in other countries. (b) The pressure for a revision of policy in respect of British imports now largely excluded from the Canadian market by the ceiling policy.

Studies are now being made to attempt a close comparative check of prices in Canada and in the United States. What is recognized is that Canada cannot indefinitely maintain her dollar at a 10% discount at the same time that our price level is anchored materially below that of the U. S.

Such a problem is tied in with high financial policy. It is likely that no settlement will be either necessary or desirable short of some decision as between Britain and United States on currency stabilization. Certainly government officials are strongly averse to any change in "status quo" short of the major decision by these two countries.

The question of British imports is more pressing and may in the reasonably near future cause the government some embarrassment.

As matters now stand, British prices on a wide range of commodities which formerly sold extensively in Canada, are perhaps 33% to 75% higher than the comparable price under the Canadian price ceiling. This effectively excludes them from entering Canada, unless they can be subsidized on the grounds of essentiality.

But Canada is most anxious to encourage British imports, even if only to reduce the deficit of Canadian dollars which must be financed through Mutual Aid or other means, so long as British imports remain only a fraction of total Canadian sales and shipments to the U. K.

Present expectations point to a world trade and commercial policy conference possibly by April or May (at the earliest) with the probability that prior to that time the United States will make some practicable and it is hoped considerable gesture toward widening its own Trade Agreements Act and paving the way toward freer world commerce.

THE WASHINGTON LETTER

'Reconversion' Is Word Forgotten As Nation Faces War's Hard Facts

By LAWRENCE SULLIVAN

WASHINGTON — The Seventy-ninth Congress began its session this week, its ranking parliamentary leaders determined to defer all matters save those related directly to the war.

Postwar machinery, blueprints for 60 million civilian jobs, plans for expanding the U. S. social security program—objectives emphasized in the President's message—must await further military developments

Leaders in the military committees of both the House and Senate are full of questions on the conduct of the war, all the way back to Dec. 7, 1941, Japanese attack on Pearl Harbor. But these questions will be answered in the secrecy of the committee chambers. Little could be accomplished, in the view of Congressional leaders, by delineating for general public examination those factors in strategy and planning which already have lengthened the war in Europe nine months beyond the September calculations of the top commanders overseas.

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Meanwhile, government controls over the domestic economy are being tightened all along the line, through the co-ordinating efforts of James F. Byrnes, director of the recently created Office of War Mobilization and Reconversion. Up to this point, price controls, manpower controls, production schedules, and food allocations have been handled by separate war agencies. Now, all of these planning agencies are to be brought under one command so far as concerns formulation of policies; they will continue as independent agencies only in the field of application.

This co-ordination of policy-making function begins to integrate the home-front economic picture for the first time since Pearl Harbor. The program means that Mr. Byrnes becomes, for all practical considerations, the acting President of the United States on all home affairs, leaving Mr. Roosevelt free to direct the day-to-day movements of the war on both the military and diplomatic fronts

Such division of presidential powers and responsibilities has been urged upon Mr. Roosevelt for many months by his White House aides, particularly those who are charged with guarding his health and preserving his cheery outlook on the progress of the war.

Mr. Byrnes' first task will be to mobilize additional manpower for the expanded military programs called out by war developments since mid-December. A total of 300,000 additional warworkers are needed to bring military production schedules up to date; and 200,000 more would be required to maintain essential civilian transportation, rubber tires, textiles, foods. With the military draft being increased by 20,000 men per month during the first quarter, to a total of 80,000 monthly, the additional manpower needed in the war factories obviously must be recruited from further cutbacks in nonessential civilian activities.

A beginning has been made in this direction by the order suspending all horse racing and dog tracks effective Jan. 31. But this order of Mr. Byrnes already is under appeal by the track owners and may be modified by the President himself before the effective date. In that case the scope and effectiveness of Mr. Byrnes' new role would be subjected once more to national reappraisal.

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The dimensions of the recent increase in war orders is reflected in the year-end summary of the Automotive Council for War Production, an emergency agency for pooling the resources of all the motor manufacturers.

This industry turned out a little more than $9 billions war contracts during 1944, and began the new year with a backlog of $11 billions on its books, principally for aircraft, tanks and motor equipment, marine engines and rocket bombs.

This report means that the entire auto industry already is booked to produce at top speed on war contracts during the entire year 1945, even if no additional orders are placed by the military departments during the coming 12 months!

Business Leaders Look at '45

(Continued from page 11)

Many electric utilities have plans well advanced for the extension of power lines into new rural areas as soon as men and materials become available for the task.

Several hundred thousand new houses will be built during the early postwar period. They will mostly be "electrical homes" equipped with electrical appliances of all kinds. In the radio and television entertainment field, in the realms of communication, transportation, street and highway lighting and the like, electricity is destined to prove increasingly important.

Canadians have good reason to look ahead with confidence. Waterpower reserves — the source of abundant electricity—are at present less than 20% developed in this country. Plentiful low-cost electric power is assured in the Dominion for years to come.

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Norman J. Dawes

President, National Breweries Ltd.

In the brewing industry the principal raw material used by brewers, namely barley malt, is also required in the production of industrial alcohol for many war purposes so that a larger supply of beer will not be available until this demand terminates.

Beer is still being shipped to the armed forces overseas and it would seem that shipments will continue in about the same proportion as in 1944.

The continued development in industrial relations within the industry is showing a marked improvement in relationships between employer and employee. A great deal of study is being given by the industry to the rehabilitation of those being discharged from the armed forces.

The products of breweries in Canada are well and favorably known in some foreign countries. With sufficient supplies of raw material and after supplying the home demand in Canada the prospects for export are promising—providing a proper balance of trade between export and imports can be maintained by the country as a whole.

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F. R. Deakins

President, RCA Victor Co.

The radio industry starts the new year with a smaller backlog of orders for future production than was the case in 1944. The peak of war production has probably passed and, while there have been some cancellations, indications are that production will continue at substantial levels in some lines for several months.

No definite predictions can be made at this time as to when conditions will permit the manufacture of radio products for the home and civilian industry. The industry generally, we believe, will be prepared to convert when the signal is given. In most instances, radio manufacturers have been making equipment requiring similar tools and engineering skills to that used in normal production. To this extent, some of the problems of reconversion will not have to be as comprehensive as in certain other types of industry. The future possibilities for the development of new products and communication systems are very bright for the industry.

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E. C. Fox

President and managing director, Canadian Cottons Ltd.

The conditions under which the Canadian primary cotton textile industry will operate for 1945 will probably be basically the same as for 1944. The industry operates under ceiling prices for civilian trade and because of this it is subsidized in respect of the excess of the cost of raw cotton over the market for cotton at the time selling prices were "frozen."

The principles involved in subsidy payments are now well known. They are decidedly limited in character in two important respects, first, no subsidy will be paid to a company even if it should qualify which would put it into the 100% excess profits tax class. Second, no subsidy is payable for excess costs of labor or any material cost such as dyes, etc., other than raw cotton.

There is a large unfilled demand for cotton yarns and fabrics but owing to current shortage of labor producing capacity is limited. This latter condition would probably change very quickly should the European end of the war terminate in 1945.

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G. Blair Gordon

President, Dominion Textile Co.

I believe the combination of 1941 selling prices and 1945 spending dollars will ensure heavy demands for manufactured cotton goods throughout Canada during the coming year.

The supply situation will continue to show some tight spots, but the buying public can be assured of the best possible attention to their requirements through the efforts of the mills as directed and controlled by the Cotton Administration of the Wartime Prices and Trade Board.

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Philip N. Gross

Vice-president and general manager, Anglin-Norcross Corp.

The probable trend of business in the construction industry during 1945 is dependent upon world events. A back-log of construction awaits the conclusion of the war.

There appears to be little likelihood of decreased construction costs. Shortages of many types of skilled mechanics will continue. Export demand for some building materials may increase. Other materials now in short supply because of labor shortages should become plentiful if labor is released from war industries.

Plans have been developed and arrangements have been made by certain institutions and industries so that their construction program can be commenced immediately conditions are favorable.

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Herbert H. Gee

Vice-president and secretary, Jenkins Bros., Ltd.

During the war most valve manufacturers increased their knowledge and facilities and extended their lines, having produced new and intricate precision-built valves for cargo vessels and naval craft, airplanes and war industry in general.

If the war continues undoubtedly our industry will be expected to keep on producing more of these valves. Should the war situation ease, then many plants which have been running continuously throughout the last four or five years will need repairs and new valves will be required.

With the advent of peace I feel fairly optimistic, for there are many programs of expansion slated to be proceeded with as soon as the necessary materials and manpower are available for civilian work. These include municipal projects in the form of filtration and waterworks plants, water distribution lines and sewage plants, which will bring better health and more comfort to many communities, both urban and rural. Electrical services will unquestionably be extended to many parts of the country, and people who previously have not had such conveniences will enjoy the privilege of having electric refrigerators, washing machines, and equipment which will enable them to modernize and install bathroom and toilet and other plumbing and heating facilities.

There will also be numerous new buildings constructed throughout the Dominion, such as hospitals, schools, colleges and various other projects of an institutional nature, all of which require valves. Export trade in certain quarters is already shaping up, and this will gradually expand and call for more of the valves produced in Canada. Our industry will face many problems in 1945, but will approach them with seasoned experience and the will to do. Therefore when the year ends I believe the industry will report progress.

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John W. Gooch

President, National Construction Council and also Canadian Metal Window and Steel Products Ltd.

From my extensive study in the past year of the construction industry, including a trip through western Canada, I am convinced that the whole construction industry is in splendid shape and is all prepared to do as good a job after the war as they have done in the past war years.

We can see a tremendous pent up volume of construction work in sight and even if the war in Europe is not over this coming year, so much of this work is quite essential that there is bound to be a considerable volume of construction.

I do not think there is any doubt that construction costs will be up considerably over pre-war levels, but we should bear in mind that the construction industry in 1939 was still at a very low ebb following the depression and that prices of construction were at a low level.

I do not think that construction costs will be out of line with the general price increase that has taken place and that construction will still offer a fair return on the money invested.

This industry is, of course, national in scope and is quite closely co-ordinated. In fact, the relations between labor and employers in the industry is an outstanding example of what can be done by co-operation.

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W. F. Holding

Vice-president and general manager, General Steel Wares Ltd.

Manufacturers of sheet and cast metal household and farm utensils have, for the past five years, been confronted with the task of producing essential war materials and at the same time supplying minimum civilian requirements of their regular lines. So long as the need continues, the production of war essentials must and will have preferred attention. As raw materials and labor become available in increased quantities for the manufacture of civilian needs, our company's plants are in a posiion to utilize them without delay in the production of our regular merchandise. Relaxations of controls have already enabled us to reinstate certain civilian lines which have been prohibited for some years; e.g., aluminum ware, metal ice refrigerators and japanned ware, and the production of these lines has been resumed with a minimum of difficulty.

Whether temporary military reverses will delay the transition of our efforts to peacetime endeavors is a matter on which I do not feel qualified to express an opinion, but I can predict with confidence that, so far as our plants are concerned, increased production of civilian merchandise will closely parallel reduced production of war requirements.

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H. C. Hood

Sales manager, Foster Wheeler Ltd.

Unless some major factor intervenes either with regard to events or government policies it will be difficult for the boiler manufacturers generally to fabricate or obtain all the power plant equipment that will apparently be required, domestic and for export, and that only by sensible negotiation and co-operation of all such manufacurers will this be capable of accomplishment.

• • •

G. W. Huggett

President and managing director, Canadian Industries Ltd.

The co-ordination of productive effort with the changing military and other essential needs of the nation will continue to be the first task of the chemical industry until hostilities are over. Yet there is a widespread consciousness that whatever can be accomplished now by way of preparedness will serve to lessen the difficulties of the transition period. The commercial units of the chemical industry are not faced with a large-scale reconversion problem, but demand for chemical products is expected to decline during the interval between the stoppage of war production and the manufacture of civilian goods. In the meantime, no material change is expected in the volume of business of CIL.

Every effort must be made to offset the higher level of cost by greater economy in the use of capital investment and greater efficiency in distribution and administration. By the attainment of the lowest possible level of cost, industry can stimulate demand and thus make a valuable contribution to the achievement of an improved standard of living.

It has been abundantly clear that the Government has assumed a major share of the reconstruction of

(Continued on page 13)

IN OUR OPINION THERE CAN BE NO SECURITY WITHOUT DEPENDABILITY

So Vital

To our Armed Forces in the equipment we supply them

So Vital

To our business associations with one another

So Vital

To our Industrial, personal and social security.

Strong in our Dependability let us Carry On.

J. S. MITCHELL & CO., LTD.

Sherbrooke, P.Q.

Industrial Mining Mill Supplies

STEWART CONSTRUCTION COMPANY LIMITED

CONTRACTORS ENGINEERS

SHERBROOKE QUE

HAVING COMPLETED EXTENSIVE DEFENCE PROJECTS THROUGHOUT EASTERN CANADA WE CAN NOW CONCENTRATE ON PEACETIME ACTIVITIES

ESTABLISHED 1907

The Only Structural Steel Plant In The Eastern Townships

MacKINNON STRUCTURAL STEEL CO. LIMITED

HEAD OFFICE: SHERBROOKE, QUE.

Montreal Office — 555 New Birks Building

IN NEARLY every form of industrial endeavour you will find products designed and manufactured by the various divisions of United Steel and they form an interesting picture of United Steel's versatile scope of activity.

Backed by widespread experience : : : founded on sound engineering principles and built to rigid standards, these products are built into Canada's expanding industries either as complete operating units or as essential components.

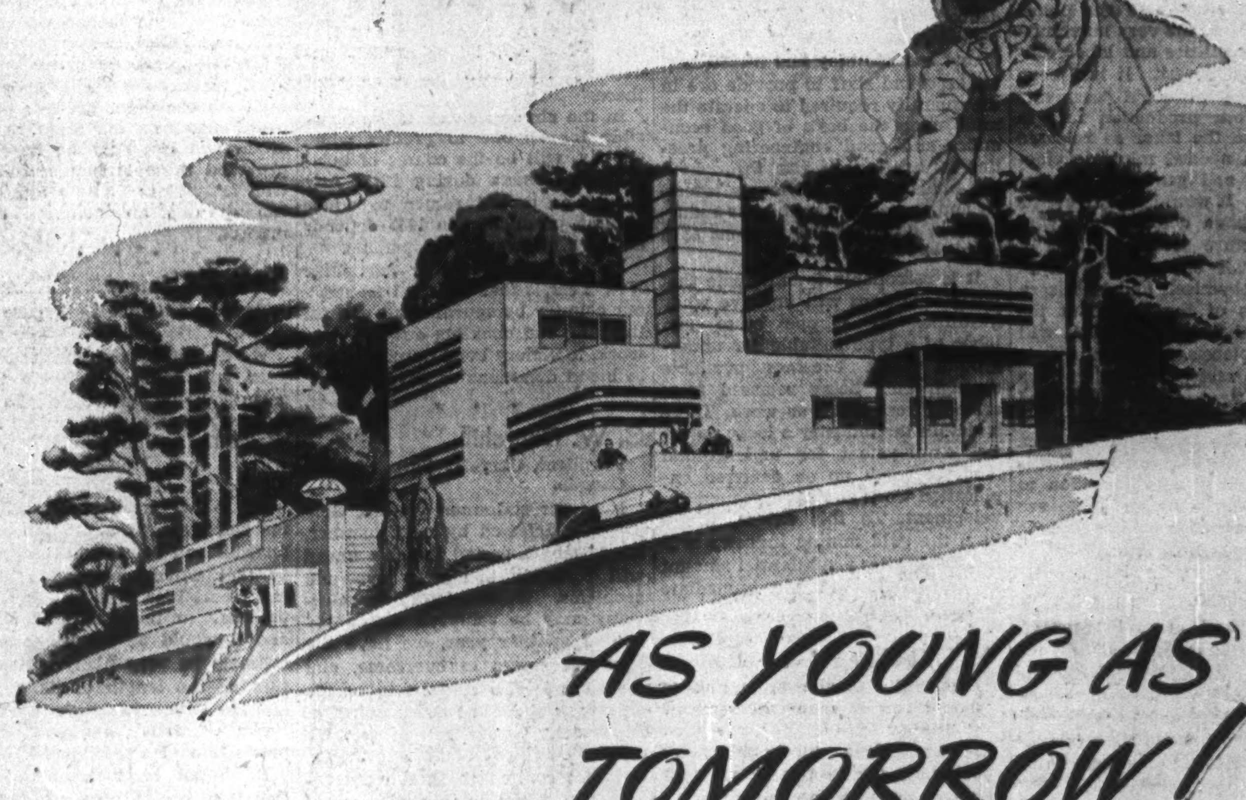
Steel Rolling Mill Equipment • Baldwin Southwark Hydraulic Presses • Coal and Ore Handling Bridges
Elevating and Conveying Systems • Mining Equipment • Power Transmission Machinery • Direct Drives

UNITED STEEL CORPORATION *Limited*

DODGE MANUFACTURING DIVISION • CANADIAN MEAD MORRISON

TORONTO · WELLAND · MONTREAL · WINNIPEG · KIRKLAND LAKE

As old as Confederation...



AS YOUNG AS TOMORROW!

. . . that's Canada! That describes, too, the Sherwin-Williams spirit of enterprise. Born the year before Canada became a Dominion, Sherwin-Williams is 78 years young — full of wisdom in matters of paint-making, yet as ultra-modern as the designs for post-war houses. Sherwin-Williams knows today's requirements, anticipates needs of tomorrow.

Vision, hard work, persistent research, and the production of the best paint products possible, have built up the enviable Sherwin-Williams reputation. It's no accident or turn of fortune that Sherwin-Williams is the greatest name in paint.

Sherwin-Williams post-war plans ensure it will remain so. Time-honoured methods will be aided by new techniques stimulated by the needs of war, in our great modern plants to produce once again unlimited supplies of the finest paints Tomorrow can bring.

THE SHERWIN-WILLIAMS CO.
of Canada, Limited
Head Office MONTREAL

SHERWIN-WILLIAMS PAINTS

Business Leaders Look at '45

(Continued from page 12)
Canada's economic framework. The extent to which co-operation by industry will prove effective in advancing the nation's material well-being will depend largely on how soundly that framework is built.

• • •

D. P. Hatch

Vice-president, Building Products Ltd.

We feel that the demand in 1945 for asphalt roofing, asphalt shingles, siding, insulating and flooring products will be larger than we have been able to supply this year

The demand for these materials for governmental work is now very small, but building permits for private construction this year have been almost 45% greater than last, and this trend seems definitely bound to continue on through 1945.

Requirements will be very heavy next year not only for construction materials for new, low-cost residential work, but particularly for repair materials of all kinds.

Farmers, very large users of our products, are in the best financial position of all time. They have the money, the desire and the intention to purchase building supply materials as they can get delivery of them.

Furthermore, if there is any possible surplus of production beyond domestic needs, there is an export market of almost astronomical proportions awaiting further supply and development.

To assist us in meeting these various demands, our company is this winter constructing a large new paper mill to cost in the neighborhood of $365,000, which will adjoin our roofing plant at Ville LaSalle, Que. It is our expectation that this additional mill will be in production by mid-1945.

• • •

W. S. Hart

President, Provincial Transport Co.

The 1945 outlook for our business is largely dependent on factors beyond our control. If more tires, gasoline and automobiles are made available to the general public, and cutbacks occur in plants situated in areas served by us, our existing extremely heavy traffic should be reduced. On the other hand, if no relief be accorded in the matter of gasoline, tires and automobiles, and industry in general maintains its present high level, demand for public transportation facilities may well increase. The current war situation indicates that we may expect continued heavy demands for our facilities during 1945. We have done what we could to provide for this by ordering more coaches for 1945 delivery.

• • •

W. Harrison

Chairman and general manager, Ayerst, McKenna & Harrison Ltd.

For the drug trade generally, business conditions appear likely to be much the same as in the year just ended. Much will depend, of course, upon the trend and duration of the war. It seems reasonable that during the first half of the year the drug business may experience an uptrend over 1944. Should the war in Europe end next summer, however, there might be some falling off which would equalize the two years.

Although there will undoubtedly be some dropping off in employment figures due to contractions in war requirements, this may be substantially offset by orders from UNRRA. Employment statistics for industry as a whole should show a slight increase as business adjusts itself to peacetime conditions.

In our own case, we have an important steadying factor in our extensive research program. New developments such as penicillin and a number of other scientific research projects now under way should serve to stabilize future progress.

• • •

B. T. Huston

Editor, Canadian Grocer.

Available supplies of food for distribution in Canada in the first part of any year are a reflection generally of the crops and livestock production of the preceding one. The distributing trades of Canada will, therefore, have more merchandise on the whole to sell up to at least June or July than during the first part of 1944. As the war drags on toward a hoped for 1945 close—at least in Europe—government control authorities will be inclined to relax restrictions on food imports and to permit expansion in Canada in food production.

Because of better 1944 field and canning crops and provision for tin containers for more products our canned food and jam supplies are considerably better. We have more potatoes, apples and apple products; more beef cattle available, more eggs and poultry; more wheat and feeding grains; all the flour, bread and cereals we need; as many imported dried fruits, even though prunes and raisins may be shorter; 50,000 cases more canned salmon. Available supplies for last half of the year will depend largely on 1945 production which now is an unknown quantity.

The darker side of the picture has to do with dairy products, maybe pork products, sugar for industrial use, etc. The United Kingdom will no doubt again want its 125 million pounds of cheese and we must maintain exports in evaporated milk which means both butter and cheese in Canada may continue short.

Should the war end in Europe within the next six months there would surely be stronger export demand for our grain, flour, cereals, canned fish and perhaps for our pork products, canned vegetables, jams. Only staples would be required, not luxuries, and this would naturally means less available for Canadian consumption. UNRRA will also take certain quantities of our canned foods especially the cheaper varieties of fish.

• • •

R. P. Jellett

President, Royal Trust Co.

The people of Canada are today more conscious of the value of saving than ever before. Their response to the country's war loans, their larger bank accounts and the ever increasing amount of life insurance which they carry, means the creation of estates at an accelerated pace, which can have but one result—greater security and happiness for the wage earner and his family—and incidentally an ever growing need for trust company protection and administration of these many new estates.

A lightening of the heavy burden of wartime taxation is, however, necessary to give the people a better opportunity to build up, by their own efforts, adequate resources for their old age and the security of their families. 1945, as in the past year, should see continued expansion of trust company business, especially in the field of investment management and estate administration for small and moderate sized accounts.

• • •

Frederick Johnson

President, Bell Telephone Co. of Canada.

We are not without hope that if hostilities in Europe are concluded by the summer of 1945 releases of raw materials may increase the availability of telephone supplies for civilian use. Due to the acute shortage of telephone apparatus and materials, now devoted to war uses, we have been unable to meet civilian demand, especially for residence telephones. There is a big waiting list. Moreover, we have had to defer much construction work because of the shortage of both manpower and materials.

It is our expectation that in order to overtake the demand, to proceed with many deferred projects, and to restore desirable margins of spare telephone plant we shall require not only our present staff of telephone workers plus those of our 2,300 employees who will return from war service, but also additional workers who may need employment.

We hope that in this way we may be able to contribute substantially to that very necessary after-war objective of maximum employment.

There are upward of 200,000 more Bell telephones in service today in Ontario and Quebec than when the war began. The standard of service, in spite of unprecedented conditions of material and skilled labor shortage, has been maintained at high level and essential demands of the war have been effectively met, and on time.

• • •

Robt. P. Kernan

President, Donnacona Paper Co.

Owing to the fact that hostilities in Europe on the present scale are likely to cease during the next 12 months, the year 1945 is a most difficult one about which to make a forecast as to business trends.

In regard to the outlook for newsprint my prediction, with all reserves, is that the end of the war in Europe will not greatly change the present situation.

I base my prediction upon the following:

1. Canada's principal newsprint market is in the United States where business conditions have been stimulated rather than depressed during the war.
2. There is at present no abnormal demand for newsprint brought about by war conditions.
3. Newsprint prices have been held down by government control and are lower rather than higher than present conditions warrant.
4. Compared to 1944 there can be no great increase or decrease in the amount of pulpwood available during 1945. Pulpwood is the main factor controlling the quantity of newsprint which can be produced.

For the above reasons it would appear that the newsprint industry should run at about the same rate of production and the price should be about the same, possibly a little better than in 1944.

Any increase in profits will depend more upon the action of the government in Ottawa in regard to taxes than upon any drastic change in business conditions within the industry.

• • •

R. V. LeSueur

President, Imperial Oil Ltd.

In the past few days it has again been shown how unpredictable is the course of the war and for that reason the trend of affairs in the oil industry during 1945 is also unpredictable.

I expect, however, that any development leading to the final peace will result in a greater change in the nature of demand rather than in the weight of demand for petroleum and its products. So long as there is need for economical, portable power, so long as men and machines must move and industry's wheels must turn, there will be corresponding needs for oil.

In our company we are well prepared to adjust our operations to meet the requirements of a peacetime economy and are planning and hope to succeed in doing this while maintaining a high level of employment. We are determined to make the fullest possible contribution toward averting repetition of the disaster of unemployment that resulted from the great depression.

H. W. Manning

Vice-president and managing director, Great-West Life Assurance Co.

The life insurance business reflects rather than generates business trends. A characteristic feature is its sensitivity to the needs of the individual under varying conditions. One can, however, make short-term forecasts with some certitude.

New sales should continue on a high level; marked increases seem improbable. In fact, any upward movement must depend upon maintenance of a high national income coupled with some relief in the impact of taxation.

Policy loans and surrenders remain remarkably low. There are not yet signs of any emergency which might cause policyholders to draw upon their life insurance equities. The great increase in these equities, as yet untouched, is a major backlog for any adjustments that may lie ahead.

Policyholders' savings will continue to be invested toward the support of the war effort. These large purchases of victory bonds will inevitably reduce the interest rates which the companies can earn on behalf of their policyholders.

The results achieved in 1944 have been accomplished in the face of a real manpower shortage. Return of those men now on active service, and availability of additional manpower will be a great benefit to the business in its service to policyholders.

• • •

D. R. Moffat

Vice-president, Moffat's Ltd.

It is extremely difficult to forecast the trend in our particular field in 1945 except that I believe every effort should be made to allow all Canadian manufacturers established in foreign markets to protect their interests by permitting them to make the maximum shipments possible, consistent with the war effort and the essential requirements of our Canadian people.

We are being told that the "back log" in Canada on all products is quite substantial but I disagree on this and maintain that many of our durable consumer goods industries with their expanded capacity will be able to catch up on the "back log" in a matter of one year or shortly after. Many Canadian manufacturers will find that they must export to exist after the war and at the same time ways will have to be found to substantially increase our imports from the countries who buy from us. This is rather a complicated problem but could be remedied in many ways if the matter is given close study.

The other alternative is a bold policy of internal development with practically unlimited imigration combined with a high protective policy for industry. However, this policy may not be the most desirable for Canada in the long run.

• • •

Edwin C. McDonald

Vice-president, Metropolitan Life Insurance Co.

The persistence of existing life insurance contracts and the creation of new insurance estates are both sensitive to changing economic conditions. Hence, in the course of the life insurance business in 1945 we must face the probability of a moderate contraction in the current abnormally high level of employment I say "abnormally high" because i seems to me, in a year which we hope will be marked by the transition from a wartime to a peacetime economy, no country can reasonably expect to find jobs for individuals in both the very high and very low age brackets, for women who would normally remain in their homes, and for a group of persons whose peacetime jobs are seasonal as opposed to their current year-round employment in war industry.

The habits of thrift and the impress made by life insurance as one channel for thrift, during the more than five years of war particularly, will continue, in my opinion, to increase the appreciation of life insurance protection in the postwar years. Therefore, the year 1945, which may mark the conclusion of at least the European phase of the war, should still be a year of relatively high persistency of life in-

(Continued on page 17)

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CANADA'S FINEST
CANADA ENVELOPE COMPANY
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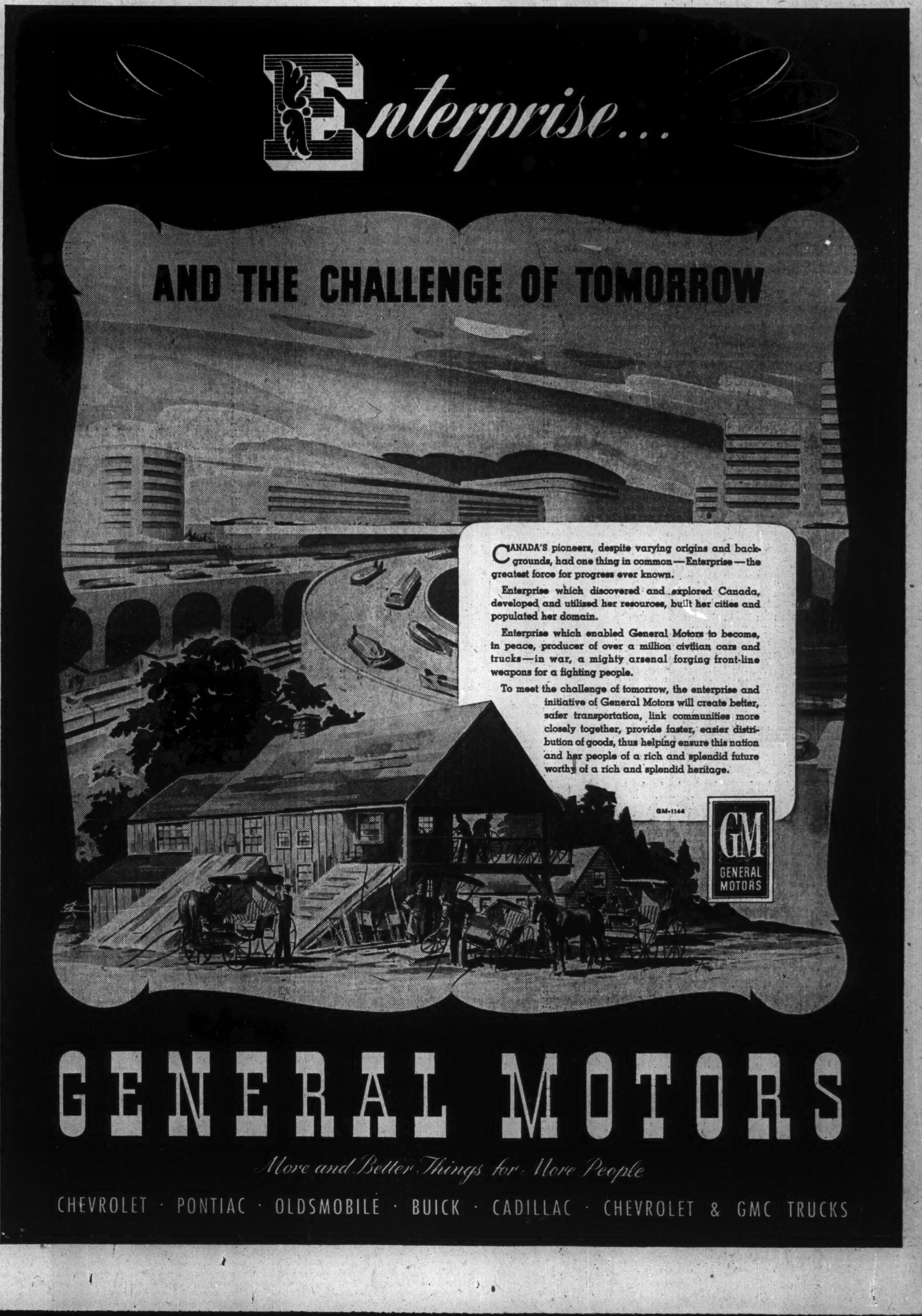
THE PRESIDENT AND DIRECTORS
OF
MONTREAL TRUST COMPANY
ANNOUNCE THE APPOINTMENT OF
GORDON F. HARKNESS
AS
MANAGER AT TORONTO

January 1, 1945

61 Yonge St.,
Toronto, Canada

Erwin, Wasey Opens Canadian Ad. Agency

Erwin, Wasey & Co., New York, advertising, has incorporated a Canadian agency, Erwin, Wasey of Canada Ltd., with offices in Toronto. Officers are L. R. Wasey, president; H. D. Williams and David MacMillan, vice-presidents; J. F. O'Connor, treasurer; Ralph Lawson, secretary. Beatrice McCullough is in charge of media.



Six-year Price Range For Canadian Listed Stocks

Herewith, The Financial Post publishes a six-year price range record of stocks traded on Canadian exchanges, covering the years 1944 to 1939 inclusive. The list covers shares listed on Montreal, Toronto, Winnipeg and Vancouver exchanges and curb markets.

Quotations are taken from official stock exchange records but The Financial Post cannot accept any responsibility for prices given. Regular weekly quotations and quotations for bonds and unlisted stocks will be found elsewhere in this issue of The Financial Post.

Industrials

	1944 High	1944 Low	1944 Close	1943 High	1943 Low	1942 High	1942 Low	1941 High	1941 Low	1940 High	1940 Low	1939 High	1939 Low
Abitibi	5.87½	2.12½	2.87½	4.25	.59	.85	.40	1.50	.50	2.50	.50	3.37	.50
Do., pref. 6%	52¾	27	48¾	33	5	7	3½	9½	4	17½	2	21½	3½
Do., pref. 7%	146¾	58	146¾	62	12½	25	13	15	8	38	5½	36	4
Acme Glove	11½	5½	9½	7¾	3	4	3	3	1	6	3	6	2
Do., pref.	92	72½	92	72	64	60	48½	60	50	57	45	55	55
Agnew Surp.	20	12¾	20	14	11½	13	11	14	11½	12½	9	11½	9½
Do., pref.	115	112	115	113	110	110	106½	108	105	110	105	111	104
Algoma Steel	16	8¾	15	11	8	9½	7½	16¾	7	10¾	7	20½	6¾
Do., pref.	99	89	99	90	81	85	79½	97½	83	100	81	97	51
Alum. of Can., p.	102½	96½	102	102¾	99	..	..	..	..	..	..	..	..
Aluminium	101¾	84	101	133½	88	110	80	115	95	145	80	141	86
Do., pref.	116	110	116	122	116	118	111½	120	115	125	100½	111½	94
Amal. Electric	16	8	15½	11	8	7½	6	8½	5½	6½	5	9	4½
Amer. Cyn.	40½	40½	40½	..	..	..	..	..	..	..	..	..	..
Do., A*	..	..	..	..	..	36	36	41	35	37¾	31	34	22
Do., B*	..	..	..	..	..	41¾	28¾	42¾	31	39¾	26	35¾	18¾
Andian Nat.	23	21	22½	..	..	..	..	..	..	..	..	..	..
Ang. Can. Tel., p.	53	47	51½	48	42	43	40	46½	44	49¾	43½	50	46
Asbestos	24½	18¾	21½	25¾	21	22	16	19½	14¾	26½	14	28½	17½
Assoc. T. & T., A	3½	3	3½	..	..	..	..	1	1	..	..	2	2
Do., pref.	40	26½	40	38	20	15½	14½	24	24	..	..	34	26
Ault & Wiborg	103½	103½	103½	..	..	103	102	..	..	103	101	102	100
Bk. Can. Nat.	†15½	†14¾	15	133	127	150	115	147	140	164	137	168	140
Bk. Montreal	†18½	†16	17½	161	147	189	124¾	193	171	212	170	222	170
Bk. N. Scotia	†30	†26	29	259	223	275	212	285	267	315	269	314	285
Bk. Toronto	†30	†26½	30	255	230	255	200	255	240	268	200	257½	215
Barber Ellis	..	..	..	..	..	8½	8½	8½	8½	..	..	..	..
Barker's Bread	4	2½	4	3	¾	1½	1	1½	¾	6¾	2	7½	3
Do., pref.	42	38	40	42	21	21½	12	22	16	28	19	39½	20
Bathurst Pr.	16¾	13½	14½	15½	12	14½	10¾	14½	10	15¾	6½	15½	4¾
Do., (B)	4	2	3½	3¾	1½	3½	1	3	1	5	1½	5½	¾
Beath & Sons	12½	5½	6½	9	5½	6	3½	4	2	5	3	4	1½
Beatty Bros. (A)	33	21½	32½	24	14½	15	6½	9	4½	6	3	8½	4
Do., (B)	25	15	24	15	10	..	..	..	..	..	..	..	..
Do., 1st pref.	..	..	..	..	..	110½	102	102¾	99	102	90	105	99½
Do., 2nd pref.	113	111¾	111¾	113	110	110½	76	90	88	90	88	97	90
Beauharnois	▲10½	▲6	8	11¾	9¾	9¾	9½	11	6½	10½	9	7¾	2¾
Beaver Lumber	15½	6½	14	6¾	4	5	3	4	3	4	4	2¾	1½
Do., pref.	122	105	121	110	103½	105	101	102½	102	102	99	99	90
Belding Cort.	92	88	90	87½	80	81	80	80	80	97	80	95	90
Do., pref.	137½	125	137½	123	119	124	115	128	124	150	142½	141	131
Bell Telephone	165	151	162	160	140¾	150½	123	160½	137	169	130	178	140

	1944 High	1944 Low	1944 Close	1943 High	1943 Low	1942 High	1942 Low	1941 High	1941 Low	1940 High	1940 Low	1939 High	1939 Low
East. Koot. Pr.	.60	.40	.50	.50	.50	..	..	.50	.50	..	..	1.00	.30
Do., pref.	16	10	15	14	3	12	6	10	6	7	5	8½	5½
East. Dairies	▲.85	▲.50	.65	1.45	.50	.60	.25	.75	.25	1.00	.50	1.50	.45
Do., pref.	▲36½	▲32	32	35	14	13½	6½	10½	5½	11½	3	7	2
East. Steel	15¾	13	14½	16½	12	13	10	13½	10	18½	8	19¾	11
East. Theatres	7	6½	7	..	..	6½	6½	4¾	4	..	..	..	..
Easy Washing	12	8	12	9	2½	4	2½	3½	3	4½	2¾	3½	1½
Economic Inv.	38½	29	37½	34	20	25	25	25	21½	29½	16	30	22
Electrolux	14½	8	12½	10	5½	6	2½	8	4½	12	6¾	13	8
Enam. & Heat.	10½	4¾	6¾	7	3	3½	2½	3¾	2	5½	2	3	½

	1944 High	1944 Low	1944 Close	1943 High	1943 Low	1942 High	1942 Low	1941 High	1941 Low	1940 High	1940 Low	1939 High	1939 Low
Real Estate L'n	40	30	40	30	28	26	24	30	24	30	24	35	30
Regent Knit.	11½	7½	10½	10	6	6	3	5	3	6	3	7½	2
Do., pref.	25	20	20	21	19	21	15½	18	15¼	17	10	21	17
Reliance Grain	22	8	16	25	4	3½	3	4½	2½	10	3	7	1½
Do., pref.	99½	90	94	97	85	80	66	67	60	71½	64	75	30
River S. Mill., A	30	20	29	25	22	24	17½	22	15½	28	16½	28	22½
Do., (B)	5½	5½	5½	..	..	..	..	..	..	..	..	..	..
Robertson, P. L.	33	28	33	..	..	..	..	..	..	..	..	..	..
Do., pref.	46½	44	45	..	..	..	..	..	..	..	..	..	..
Rolland Pap.	12	9	11½	10½	7½	8	5¾	10	9	19½	12	16	7

*Old stock. *New stock. ▲Delisted. †In terms of new stock. ▲N.Y. Curb.

Mines

†New stoc. ▲Delisted. ‡New York Exchange, no Canadian sales reported.

Oils

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Merchants Fire Insurance Company
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The Queen City Fire Insurance Company
HEAD OFFICES: TORONTO

WT-284

13% Rise Seen In Bank Debits

Victory Loan Payments Factor in Gain in All Five Economic Areas

Cheques cashed in the clearing house centres of Canada in November at $6.6 billions show an increase of 12.8% over the same month of 1943. A big factor in the increase was the heavy payments on the 7th victory loan. Substantial increases were recorded in each of the five economic areas, while 29 of the 33 clearing house centres also showed gains.

Increases in the different economic areas are as follows: Maritimes, 12.4%; Quebec, 11.2%; Ontario, 16.4%; Prairies, 7.1% and British Columbia, 14%.

For the 11 months to Nov. 30, total bank debits were $55.6 billions, a rise of 13.6% over the year before.

All five economic areas were ahead for the 11 months period, the Prairies leading with a 28% increase. Other gains were: Martimes, 6.2%; Quebec, 12.5%; Ontario, 9.4% and British Columbia, 14.4%.

Figures for November with comparisons follow:

Debits to Individual Accounts (Millions of $)

	Nov. 1944	Oct. 1944	Nov. 1943
Maritimes:			
Halifax	86.5	64.9	76.0
Moncton	24.9	21.0	20.9
Saint John	44.7	28.8	42.0
Total	156.1	114.7	138.9
Quebec:			
Montreal	1,712.5	1,144.0	1,535.5
Quebec	182.5	134.1	149.6
Sherbrooke	15.8	12.8	13.8
Total	1,910.8	1,290.9	1,718.9
Ontario:			
Brantford	25.1	21.4	25.3
Chatham	16.2	12.3	11.7
Fort William	18.8	14.5	15.0
Hamilton	142.0	118.4	138.9
Kingston	16.9	13.9	16.0
Kitchener	32.0	22.3	34.6
London	66.8	51.3	71.1
Ottawa	784.0	804.7	675.5
Peterborough	14.3	13.4	12.8
St. Catharines	28.1	19.9	27.6
Sarnia	20.2	15.9	16.3
Sudbury	10.5	10.0	10.2
Toronto	1,696.5	984.1	1,409.6
Windsor	97.2	79.3	91.6
Total	2,969.0	2,191.3	2,530.2
Prairies:			
Brandon	9.6	8.5	7.8
Calgary	158.9	128.7	177.1
Edmonton	104.9	85.3	97.1
Lethbridge	12.5	10.0	10.7
Medicine Hat	6.0	6.6	6.0
Moose Jaw	17.5	13.8	15.7
Prince Albert	7.9	7.1	6.3
Regina	136.3	110.7	95.1
Saskatoon	24.5	23.5	20.9
Winnipeg	759.0	647.2	718.7
Total	1,237.1	1,043.4	1,155.4
British Columbai:			
N. Westminster	17.7	14.7	16.3
Vancouver	330.1	232.7	284.1
Victoria	50.5	44.0	49.0
Total	398.3	291.4	349.4
Total Canada	6,671.3	4,931.7	5,913.4

Assets at Peak For Royal Bank

Deposits also at new high
Current loans increase
Profits moderately higher

Total assets and deposits of the Royal Bank of Canada are shown at new high levels in the annual report for the year ended Nov. 30, 1944. Current loans also show a slight increase over the previous year and operating profits after heavier taxes are higher.

Net earnings of the bank after taxes were $8.8 millions against $3.4 millions the previous year. After increased appropriation for taxes and contribution to pension fund more than doubled, net profits are equal to 72.3 cents a share on the new $10 par value stock against 75.9 cents a share on the same basis in 1943.

On Sept. 1, 1944, all the chartered banks in compliance with the revised Bank Act, subdivided their shares of $100 par, into 10 shares of $10 par value each. Dividends continued at 6%, the same rate as in the previous year.

Year ended November 30

	1944	1943
Net earnings	$†3,812,184	$†3,426,289
Less: Divds.	2,100,000	2,100,000
Pension fund	880,000	370,000
W/o premises	400,000	400,000
Surplus	432,184	556,289
Prev. bal.	3,815,487	3,259,198
	4,247,671	3,815,487
Earned per sh.	72.3	[illegible]

†After providing $2,127,214.86 for taxes ($1,966,357.55 paid in 1943) and after making appropriations to Contingency Reserves out of which Reserves provision for all Bad and Doubtful Debts has been made. ▪After premises write-off.
a—Before 10 for 1 share subdivision.

Total assets at almost $1.8 billions were the highest in the bank's history. Investments in Dominion and Provincial Government securities amounted to $810 millions against $641.8 millions in the previous year, the bulk being Dominion short term issues. Current loans were higher. Due to the slackened demand for bank credit in Canada because of war conditions, current loans in this country were lower but this was more than offset by a rise in current loans abroad. Call loans were up substantially while cash on hand and on deposit were also higher.

Liquid Position Strong

The liquid position of the bank continued strong with quickly realizable assets equal to 81.62% of liabilities to the public, against 76.20% in the previous year.

Deposits now total almost $1.7 billions, up $273 millions. Total public deposits stand at $1.4 billions, up nearly $250 millions with savings deposits totalling $593 millions.

Important items in the balance sheet follow.

Liabilities	1944	1943
Capital stock	$ 35,000,000	$ 35,000,000
Reserve fund	20,000,000	20,000,000
P. & L. bal.	4,247,671	3,815,488
Dividends	575,576	573,391
Deposits	1,653,698,176	1,390,769,152
Due to banks	23,186,320	19,122,046
Circulation	9,580,372	12,651,348
Letters of credit	42,347,097	35,135,037
Other liabs.	1,616,390	1,831,109
	1,790,251,802	1,509,097,571
Assets		
Notes & dep. Bk. of Canada	141,631,399	121,801,506
Other cash	160,861,190	147,586,549
Cheques other banks etc.	75,260,199	53,637,933
Dom. & prov. gov't. secs.	810,032,435	641,893,620
U. S. & U. K. secs.	74,692,176	50,721,946
Mun. secs. etc.	50,865,732	42,164,676
Call loans	64,506,076	46,692,209
Loans Canada	261,609,431	278,715,605
Loans to prov's.	2,109,729	2,479,528
Mun. loans	8,815,745	13,472,817
Loans foreign	79,117,470	55,225,771
Bank prem. & real estate	13,763,005	14,711,068
Letters of credit	42,347,097	35,135,037
Other assets	4,640,118	4,654,308
	1,790,251,802	1,509,097,571

Employment Called Key To Sales of Insurance

New Ordinary Business in 1944 Estimated About 6% Above Previous Year, But Decline Noted in Later Months — Business in Force Up

Sales of new ordinary life insurance in 1944 are estimated at about $620 millions, around 6% higher than in 1943. The trend of industrial employment holds the key to the volume of new business in 1945. In some quarters it is expected a declining trend that developed in the latter months of 1944 will carry over into the New Year.

Actual new business in the last five months of the year just closing, while well above the five-year average, has been slightly below the level of 1943.

Main reason for this was the expectation that developed in the late summer that there was to be an early end of the war. It was felt that the changeover from war to peace production might be accompanied by a period of unemployment and many industrial workers accordingly were unwilling to increase their commitments until the future was more assured. Now the end of the war seems farther away, and though increased production of certain types of war supplies is wanted, there is still a popular feeling that the period of big production of war materials generally is past and that industrial employment therefore is likely to taper off.

In Last War

Life insurance executives, however point out that while there was some unemployment for a time after the last war, life insurance sales continued to rise, and the big increase came after the armistice. This time conversion plans are believed better laid and a shorter period of readjustment is expected.

Discontinuation of the compulsory savings portion of the income tax automatically removing the concession to policyholders to set off their life insurance premiums against that part of their tax is not thought to have been a factor in the decline in sales. Total new business in 1944, including ordinary, industrial and group, estimated at over $900 millions.

During the year, policy lapses and surrenders are estimated to have declined substantially and while official estimates are not available at time of writing, it is expected the amount of life insurance in force in Canada on Dec. 31 will be substantially higher, possibly around $9.3 billions compared with $8.5 billions at the end of 1943.

Low Interest Rates

One of the chief problems in the life insurance business continues to be the low interest rates obtainable on first-grade investments such as the life insurance companies are allowed by law to buy. According to a statement by the governor of the Bank of Canada about a year ago the government intends to maintain interest rates at around existing low levels. With practically all the surplus funds of the life insurance companies going into government bonds, the rate of return on the investments of the companies has been steadily declining. One result of this has been to raise the cost of insurance to the public slightly and to divert many buyers from investment policies into straight protection types. There is still however a substantial volume of investment policy business being written.

Staff Problems

Another problem has been that of staff, due to the enlistment of many men and women in the armed forces. The companies, however have got fairly well adjusted to the situation and are now preparing to receive back members of their staffs who may be discharged from the forces on medical or other grounds. These are usually being given a refresher course before going back to actual work.

Political Attacks

Political attacks on the business of life insurance while continuing, have not had any adverse effect on the business. In fact, according to the available figures of sales in recent months, there has been more insurance bought in Saskatchewan (which elected a CCF government), than there was in the previous year.

Company executives at the time of writing were unwilling to make any estimate of war death claims. It is estimated unofficially, however, that in 1944 they were about 10% of the total and substantially above the previous year. They have been limited, however, by the fact that many young men enlisting had little or no insurance before the war broke out while those contracts since taken out all have the war clauses.

Meanwhile life insurance will continue to carry on its usual function of protection and its wartime job of promoting thrift and diverting consumer funds from inflationary channels.

Slight Decline In Life Sales

Sales in November of new ordinary life insurance in Canada and Newfoundland at $53.2 millions are not much below the $54 millions reported for Nov., 1943, and well above the $49.3 millions of October. Showing increases were Alberta, Saskatchewan, New Brunswick, Prince Edward Island and Newfoundland; the others, declines.

The rise over October is attributed partly to the feeling that the war may last longer than expected and that employment on war orders will be maintained at a higher level than seemed probable some months ago.

Total sales for the 11 months were $566.4 millions and preliminary estimates of sales for the full year are placed at around $620 millions.

The figures for the first 11 months are compiled by the Life Insurance Sales Research Bureau and are based on the experience of 18 companies representing 86% of the new ordinary life insurance written in Canada and Newfoundland. They are for ordinary insurance brought into force, and exclude dividend additions, reinsurance acquired, annuities, group insurance, etc.

Life Insurance Sales
Canada and Newfoundland

	1944
November:	
British Columbia	$ 3,532,000
Alberta	2,997,000
Saskatchewan	2,888,000
Manitoba	3,261,000
Ontario	21,509,000
Québec	14,096,000
New Brunswick	1,565,000
Nova Scotia	2,092,000
Prince Edward Island	409,000
Newfoundland	917,000
Total	53,266,000
Eleven Months:	
British Columbia	41,354,000
Alberta	33,113,000
Saskatchewan	24,545,000
Manitoba	33,723,000
Ontario	238,806,000
Quebec	144,598,000
New Brunswick	16,113,000
Nova Scotia	21,624,000
Prince Edward Island	3,840,000
Newfoundland	8,782,000
Total	$566,499,000

The Western Assurance Company

NOTICE is hereby given that The Western Assurance Company has received Certificate of Registry authorizing it to transact in Canada the business of Forgery Insurance, in addition to the classes for which it is already registered.

Dated at Toronto, this 27th day of December, 1944.

C. R. MORROW,
Secretary.

MANUFACTURERS LIFE PROMOTIONS

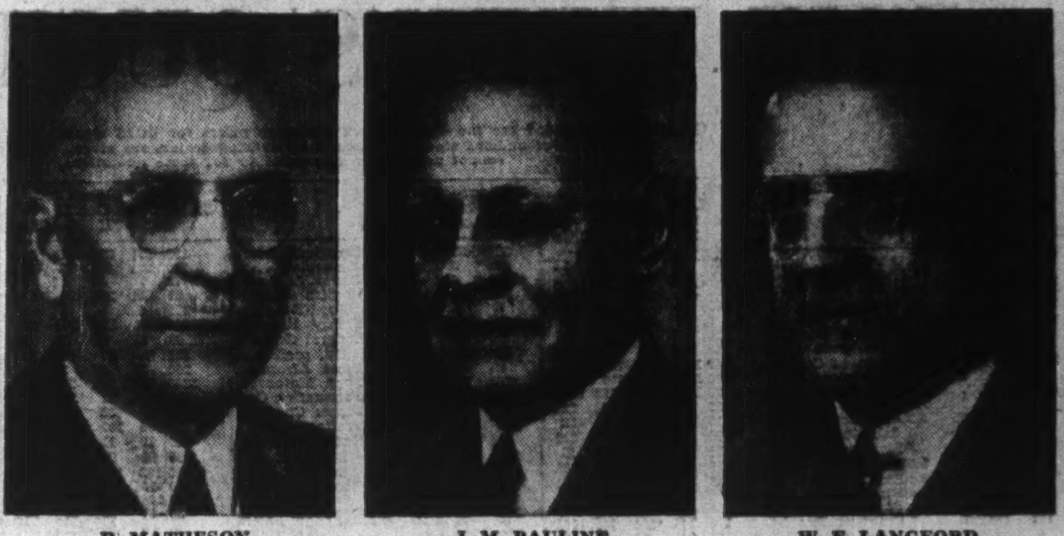
The Manufacturers Life Insurance Company announces that at the meeting of the Board of Directors on Thursday, December 21st, the following Head Office appointments were made: J. A. Broadbent, Agency Superintendent; F. A. Nicholson, Agency Superintendent; A. P. Morton, A.I.A., F.A.S., Assistant Actuary; T. B. Morrison, F.A.S., F.A.I.A., Assistant Actuary; A. T. Seedhouse, Assistant Treasurer; S. S. T. Beauregard, Assistant Treasurer.

The Wawanesa
Mutual Insurance Company
—ORGANIZED IN 1896—
Admitted Assets... $4,382,095.84
Surplus 2,431,602.73
Dom. Govt. Deposit 2,701,545.19
— Write for Financial Statement —
Head Office, WAWANESA, Man.
Eastern Office: TORONTO, Ont.
Branches at Vancouver, Saskatoon, Winnipeg and Montreal.
2,000 Agents Across Canada.

United States Fidelity & Guaranty Company
TORONTO

"Consult your Agent or Broker as you would your Doctor or Lawyer."

FIDELITY Insurance Company of Canada
TORONTO



D. MATHESON — J. M. PAULINE — W. F. LANGFORD

For some time Donald Matheson, Secretary of The Imperial Life Assurance Company of Canada, has expressed the wish to retire from active business life, and at a recent meeting of the Company's Board of Directors his resignation was regretfully accepted. His retirement climaxes a notable business career embracing more than forty years of service with the Company.

To occupy the vacated post, J. M. Pauline has been appointed Secretary. W. F. Langford has been appointed Associate Secretary. Both men are veterans of the last war. They have spent many years in the service of The Imperial Life and are highly qualified for the positions they now hold.

WANTED
General Insurance Agency for Nova Scotia, Fire, Automobile and Casualty. Tariff companies only. State particulars. Box 141, The Financial Post, Toronto.

You Make the Will-
Let us show the Way!

When did you make your will? How does it stand today? Often changes caused by births, deaths, marriage, maturity of minors, changes in Succession Duties may cause your estate to be distributed contrary to your plans. Why not consult our experienced Estate Officers? Talk it over with them . . . make sure today that your estate will be secure tomorrow!

CAPITAL TRUST CORPORATION LIMITED
MONTREAL · OTTAWA · TORONTO

MORDEN, HELWIG & FERRIE LIMITED
Insurance Adjusters
Automobile, Casualty, Fire and Allied Lines, Inland Marine
HAMILTON, LONDON, WINDSOR, KITCHENER, ST. CATHARINES, SARNIA, CHATHAM, OWEN SOUND

LONG DISTANCE telephone lines are carrying a heavy war burden ::: and meeting an unprecedented demand for essential service. That is why your telephone company asks you to help keep the wires clear to war-busy centres ::: always to be brief and business-like... and to place calls, if possible, at off-peak hours.

TRANS-CANADA TELEPHONE SYSTEM

The Bell Telephone Company of Canada

THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto
Week ending Monday close

Winnipeg and Vancouver
Week ending Saturday close

WEEK ENDING DECEMBER 29

Range 1944 High	Low	Div. R'te $	Dec. 29 Y'ld %		Sales	Last Dec. 22	Week end. Dec. 29 H	L	Cl'se
52	21½	*	...	Abitibi	520	22	22	22	22
52½	27	*	...	Do. pref. 6%	1669	47½	49½	47	47½
146½	58	*	...	Do. pref. 7%	135	135	146½	136	146½
9½	5½	*	...	Acme Glove	225	9	9½	9½	9½
20	13½	*	...	Agnew Surp.	5	17	20	20	20
16	9	*	...	Algoma Steel	650	14½	15	14½	15
90	89	5	5.1	Do. pref.	100	98½	99	98½	99
102½	96½	5	4.9	Alum. of Can. p	342	102½	102½	102½	102
101½	85	6	7.8	Aluminium	390	100½	101½	101	101½
119½	110		...	Do. pref.	25	116	119½	119½	119½
23	21		...	Andian Nat.	50	22½	22½	22½	22½
53	47	2.75	5.2	Ang Can Tel p	[illegible]				
[illegible]									

Range 1944 High	Low	Div. R'te $	Dec. 29 Y'ld %		Sales	Last Dec. 22	Week end. Dec. 29 H	L	Cl'se
38½	29	*	...	Economic Inv.	135	37½	37½	37½	37½
14½	8	*	...	Electrolux	180	12½	12½	12	12½
10½	4½	*	...	Enam. & Heat.	75	7	6½	6½	6½
24½	19	*	...	English Electric	55	24½	23½	23	23½
5	3		...	Do. (B)	325	4	5	5	5
39	28½	1.50+.25		Fanny Farmer	280	37½	37½	37½	37½
5½	2½	*	...	Federal Grain	1800	3½	3½	3½	3½
88	60	*	...	Do. pref.	185	65	67	65	67
4½	2½	*	...	Fleet Aircraft	250	3½	3½	3½	3½
26½	23½	1	4	Ford Motor A	3280	25½	25½	25	25
21½	14½	1.40	7.4	Foundation Co.	150	20½	21	21	21
38	19	†.35		Fraser Cos.	[illegible]				
[illegible]									

Range 1944 High	Low	Div. R'te $	Dec. 29 Y'ld %		Sales	Last Dec. 22	Week end. Dec. 29 H	L	Cl'se
8½	5½	.40	5	Stand. Radio	200	8	8	8	8
75	62	3	4.4	Steel of Canada	315	68	70	68½	70
77	69	3	4	Do. pref.	25	75	76	76	76
17	15	*	...	Tamblyn	75	16½	16½	16½	16½
13	8½	.30		Tip Top Tailors	100	11½	13	13	13
13½	10	*	...	Tooke Bros.	5	12½	13½	13½	13½
10½	6½	*	...	Twin City	80	9½	10½	9½	10½
9½	6½	*	...	Union Gas	889	8½	8½	8½	8½
28½	24½	1.50	5.4	United Corp. A	5	28½	28½	28½	28½
48	32½	3	7.5	United Fuel, pf.	230	44½	45	44½	45
6½	5	*	...	Do. B pref.	200	5½	5½	5½	5½
[illegible]									

* Participating. ♠ On arrears. † Paid or payable in 1944 to date. * Net after corporate income tax.

Mining Stocks

Week Ending Dec. 29

Range 1944 High	Low	Div. Rate $	Dec. 29 Yield %	Company	Sales	Last Dec. 22	Week Ending Dec. 29 High	Low	Close
[illegible]									

Range 1944 High	Low	Div. Rate $	Dec. 29 Yield %	Company	Sales	Last Dec. 22	Week Ending Dec. 29 High	Low	Close
21.50	14.12	.90	....	Lake Shore	645	16.50	17.25	16.75	17.15
.14½	.06½	....	....	Lapa Cad.	2,500	.09½	.10½	.09½	.10½
.06½	.02½	....	....	Lebel Oro.	500	.03½	.04	.04	.04
1.45	1.03	.08	....	Leitch Gold	900	1.10	1.20	1.14	1.20
1.60	.90	†.04	....	Little L.L.	10,850	1.20	1.25	1.15	1.22
1.09	.66	....	....	Louvicourt	16,000	.90	.94	.90	.90
4.50	3.40	.20	....	Macassa	1,400	3.80	3.90	3.75	3.90
2.95	2.10	†.05	....	MacLeod C.	16,840	2.35	2.35	2.20	2.35
2.42	1.60	*.04	....	Mad. R.L.	12,150	2.10	2.18	2.10	2.18
4.25	3.25	....	....	Malartic G.	5,800	3.30	3.60	3.25	3.60
[illegible]									

Oil Stocks

Range 1944 High	Low	Div. Rate $	Dec. 29 Yield %	Company	Sales	Last Dec. 22	Week Ending Dec. 29 High	Low	Close
[illegible]									
.25	.16	.....	....	Model	200	.18	.17	.17	.17
.11	.04	.....	....	Nordon	500	.06½	.07	.07	.07
.05	.02	.....	....	Oil Select.	2,500	.04	.03½	.03½	.03½
.70	.40½	.....	....	Okalta	1,000	.50	.46½	.46½	.46½
.20	.02	.....	....	Pacalta	1,580	.11	.10½	.10	.10
1.07	.44½	.....	....	Pacific Oil	15,000	.54	.55	.51	.55
.70	.40	.....	....	Pac. Pete.	200	.54	.65	.60	.65
22.00	17.50	1.00	....	Royalite	220	20.00	19.35	18.50	18.50
1.60	.90	.....	....	Texas Can.	200	1.25	1.25	1.25	1.25
.12	.04½	.....	....	United Oils	2,200	.10½	.11	.10	.10
.12	.06	.....	....	Vermilata	55,100	.11	.11½	.11	.11½
.22	.17	†.01	....	Vulcan	500	.20	.20	.20	.20

* Yield including bonus to date. † Paid in 1943. * Paid or payable in 1944

STOCKS NOT TRADED THIS WEEK

	Div. rate	Last sale	Dec. 29 Bid	Ask
[illegible]				

Mining Stocks

	Div. rate	Last sale	Dec. 29 Bid	Ask
[illegible]				

Oil Stocks

	Div. rate	Last sale	Dec. 29 Bid	Ask
[illegible]				
Madison	...	.02	..	..
Mercury	...	.07	.06½	.07½
National Petrol.	...	.12	.12	.14
Royal Canadian	...	.03½	.03½	.04
South End	...	.02½	..	..
South West Pete	...	.17	..	..
Spooner	...	.15	.13	..
Sunset	...	.07½	.06	..
Trans. Alta.	...	.12	..	..
Vanalta	...	.08½	.08	.09

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$11.42	$11.25	$12.04
Hogs	17.85	17.90	17.10
Copper, lb.	*.12	.12	.12
Sugar, raw, lb.	*.0374	.0374	.0374
Coffee, lb.	*.09⅜	.09⅜	.09⅜
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	104.4	104.2	102.9
Dow Jones (fut.)	97.00	97.14	96.11
Fisher's	114.1	114.1	111.7
Monthly Indices			
Canada (D.B.S.):			
Retail (Oct.)	118.6	118.8	119.3
W'sale (Oct.)	102.4	102.3	101.9
U. S. (Sept.)	104.0	103.9	103.1
Gr. Brit. (Aug.)	167.1	167.5	162.9

Note—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper - electrolytic, New York. No. 7 coffee, Rio Sugar 96 degrees centrifugal c/f New York.

*Ceiling prices fixed by the office of Price Administration.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Atlantic Sugar	4%	1951	Mar. 1	102
Bowater's Nfld.	5%	1968	Jan. 1	103
Galt Brass	5%	1950	Feb. 1	105
B. C. Pwr. Corp.	4½%	1960	Jan. 15	102½
United Amuse.	5%	1956	Feb. 1	102¾
†Eastern Car	6%	1952	Jan. 1	105
Eaton Realty	4%	1951	Jan. 29	100
Fraser Companies	6%	1950	Jan. 1	103
Restigouche Co.	6%	1948	Jan. 1	101
United Gas	5½	1948	Jan. 1	101
Ruddy Co.	6½%	1948	Jan. 1	101
St. Maurice Pwr.	4½%	1970	Jan. 15	104
Twin City R. Tr.	5½%	1952	Jan. 15	102
McCormick's	4½%	1952	Jan. 1	102
Do.	4%	1952	Jan. 1	102
Nfld. L. & Pwr.	4½%	1956	Jan. 1	102

‡$100,500. ♠$236,000. *$100,000. †$55,000.

Volume of Stock Sales

	Montreal	Toronto (Total Volume)	Vancouver
Jan. 2	25,600	888,000	......
Jan. 1	......	......	......
Dec. 30	......	......	......
Dec. 29	30,000	675,000	38,500
Dec. 28	33,500	524,000	30,515
Dec. 27	36,100	461,000	34,850

Government Bonds

Jan. 2, 1945

(Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask.
Victory Loans:			
3	June 1951	104½	105
3	Mar. 1954	102¾	103¾
3	Nov. 1956	101½	102½
3	May 1957	100½	101½
3	Jan. 1959	99¾	100¾
3	June 1960	99¾	100¾
Dom. of Canada Bonds			
2	Mar. 1945	99¾	100½
2	Dec. 1946	1004/5	101¼
4½	Feb. 1946	103½	1034/5
2½	Mar. 1948	1012/5	102
1½	May 1946	100½	101
3½	June 1949	1021/5	103½
3½	Nov. 1951	1041/3	105
4	Oct. 1952	105¾	106½
3½	Feb. 1952	105½	105½
3	Oct. 1952	102¾	103½
3	June 1955	101½	102½
4½	Nov. 1956	104¾	105½
4½	Nov. 1957	1062/5	107½
3	June 1958	100½	100¾
4½	Nov. 1958	1081/3	108¾
4½	Nov. 1959	1093/5	1101/3
3½	June 1966	102¾	1031/3
3	Perpetual	96¾	97¾
Dom. Guarant'd Bonds			
Can. Natl. Railways:			
3	Dec. 1950	101	102
3	Jan. 1959	99¾	100¾
4½	Sept. 1951	1231/3	...
4½	Feb. 1956	126½	...
4½	July 1957	127¾	...
3	Feb. 1953	102	103
4¾	June 1955	128½	...
5	Feb. 1954	116½	117½
5	Oct. 1969	127½	...
5	Feb. 1970	127½	...

%	Due	Bid	Ask.
Can. Natl. W. Ind. S.S.:			
5	Mar. 1955	129½	...
Grand Trunk Pacific Rly.:			
3	Jan. 1962	110½	112½
Provincial Govt. Bonds			
New Brunswick:			
4	Nov. 1947	111	113
3	Oct. 1951	98½	100½
3½	Aug. 1949	99½	101½
3½	June 1956	100¾	102¾
4½	Apr. 1961	121	123
5	Jan. 1960	126	128
Nova Scotia:			
3	Jan. 1952	99½	101½
3½	June 1956	100¾	102¾
3½	Nov. 1950	102½	104½
4½	Sept. 1952	116	118
4½	Nov. 1960	124	126
5	Mar. 1960	129	131½
Ontario:			
2½	May 1945	100	101½
3	Apr. 1948	100½	102
3	Nov. 1950	101½	102¾
3½	Nov. 1951	102½	104
3½	May 1955	102½	104
4	June 1962	122	124
4½	June 1950	109½	110½
4½	Jan. 1962	130	132
5	Oct. 1948	109	110½
5	Dec. 1960	134	137
5½	July 1946	104½	105¾
Ont. Hydro Commission:			
3	Aug. 1943	100½	101½
3½	Feb. 1953	102½	103½
3½	Apr. 1947	102½	103¾
Prince Edward Island:			
4	Mar. 1954	103	105

%	Due	Bid	Ask.
Quebec:			
3	Nov. 1947	100½	101¾
3½	Mar. 1948	100½	102½
3½	Mar. 1959	101½	103½
4	Nov. 1952	103½	105½
3¾	Feb. 1955	102½	104½
4½	Aug. 1958	108¾	111½
4½	Jan. 1963	113¾	116½
Alberta:			
4½	Oct. 1956	90	90
4	Dec. 1954	93	96
5	Oct. 1959	93½	96½
5½	Apr. 1952	94	97
6	Mar. 1947	91½	94½
British Columbia:			
4	Dec. 1957	116½	118¾
4½	Jan. 1951	118½	120¾
4½	Oct. 1953	119½	121¾
5	Apr. 1954	123¾	126½
5½	Feb. 1945	99¾	101½
6	Feb. 1947	105	107
Manitoba:			
4	Dec. 1957	110¾	113½
4½	Dec. 1956	115½	118
5	Dec. 1959	120	123
5½	Oct. 1955	115½	118
6	Apr. 1947	104	106½
Saskatchewan:			
4	Sept. 1954	84	87
4	Nov. 1960	83½	86½
4½	Oct. 1951	96½	99½
4½	Mar. 1960	89½	92½
5	Aug. 1956	91½	94½
5½	Oct. 1952	95	98
6	Mar. 1952	95½	98½

*Payable N.Y.

Wheat Prices

Winnipeg Grain Futures

Week of Jan. 2, 1945

Crop year from Aug. 1, 1944 High	Low		High for week	Low for week	Close Jan. 2
		Oats*			
.51½	.51½	May	.51½	.51½	.51½
		Barley*			
.64¾	.64¾	May	.64¾	.64¾	.64¾
		Rye			
1.12	1.04	Dec.	1.12⅞	1.11⅜	1.12⅞
1.13⅛	1.10	May	1.17	1.12⅞	1.16⅝
1.05¼	1.01⅝	July	1.13⅜	1.10½	1.13¼

*At ceiling.

Cash Quotations

	For Week Dec. 22 High	Low	Prev. Week High	Low
Oats*				
2 C. W.	.51½	.51½	.51½	.51½
3 C. W.	.51½	.51½	.51½	.51½
Barley*				
1 Feed	.64¾	.64¾	.64¾	.64¾
2 Feed	.64¾	.64¾	.64⅜	.64¾
Rye				
2 C. W.	1.13⅜	1.10	1.10½	1.08¾

*At ceiling prices.

Significant Investors' Index Numbers

No. of Securities	Macn and equiq. 8	Pulp and paper 7	Milling 4	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 14	Banks 8	Total utilities 18	Total co's. 95
(Base 1935-39=100)												
*1935 to date:												
High	134.5	234.4	149.7	123.7	135.7	118.3	150.0	153.4	146.8	118.2	145.0	134.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	68.7	60.2	69.0	65.2	61.1
1944: Monthly Figures:												
Jan.	108.7	111.2	94.6	75.0	119.7	89.8	142.3	86.1				
Feb.	108.7	114.8	96.1	74.0	122.4	93.1	141.4	86.5	94.8	78.3	99.4	81.8
Mar.	108.9	116.9	97.6	72.2	121.5	93.8	152.8	88.4	97.3	79.1	102.7	82.0
Apr.	106.6	109.0	86.5	70.0	118.3	93.0	149.2	87.3	95.1	79.3	100.4	84.5
May	107.0	112.3	96.4	70.4	118.8	92.8	152.1	86.8	92.0	78.4	97.0	78.3
June	113.0	118.5	97.3	73.4	122.5	94.6	150.9	93.3	91.2	78.0	97.5	79.9
July	116.2	134.0	100.3	76.6	125.2	101.2	154.3	98.9	95.6	78.1	102.0	83.7
Aug.	117.3	135.2	100.7	74.6	127.3	103.2	154.5	97.2	93.9	78.2	104.3	87.5
Sept.	114.4	129.6	102.1	72.9	127.9	102.4	150.9	95.3	92.9	85.6	101.5	86.8
Oct.	116.8	136.0	101.0	72.8	129.4	101.1	156.3	96.8	89.9	87.1	98.1	85.0
Nov.	116.7	137.5	101.9	72.9	130.7	101.4	166.7	97.3	89.6	86.7	100.0	86.2
									91.8	86.6	100.5	86.0
1944: Weekly Figures:												
Dec. 7	118.7	144.6	103.4	72.2	132.9	104.2	167.8	97.4	96.7	87.9	104.5	86.2
Dec. 14	120.9	145.2	106.6	72.0	134.1	104.2	171.0	99.5	96.8	88.4	106.7	87.2
Dec. 21	118.9	145.7	107.2	71.4	132.4	104.2	165.4	98.2	95.1	87.9	104.7	86.3

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Jan. 2	131.95	107.98	73.15	27.17
Jan. 1	.....	.....	....	....
Dec. 30	.....	.....	....	....
Dec. 29	131.43	107.62	72.61	27.02
Dec. 28	130.75	105.96	71.82	27.17
Dec. 27	130.15	105.79	71.72	27.39
Month ago	128.15	109.62	71.77	26.10
Year ago	117.22	99.54	68.52	26.39
High 1944	132.08	114.60	77.15	29.61
Low 1944	116.63	99.54	67.37	25.17

Montreal Stock Exchange Average

	10 Util.	20 Ind.	30 Chd.	10 Pprs.	15 Golds
Jan. 2	58.9	93.7	82.1	190.12	76.40
Jan. 1	...	...	...	.....	....
Dec. 30	...	...	...	.....	....
Dec. 29	59.1	93.5	82.0	189.49	75.58
Dec. 28	58.5	92.5	81.2	184.92	75.89
Dec. 27	58.3	92.1	81.0	183.52	76.03
Month ago	56.2	89.3	78.3	184.46	77.56
Year ago	53.9	74.2	67.5	119.92	74.17
High 1944	59.1	93.7	82.1	192.99	88.35
Low 1944	51.9	73.8	67.5	116.68	72.95

Supplementary Bond Quotations

Comparative Prices of Unlisted Bonds

	1942 Bid	Asked	1943 Bid	Asked	1944 Bid	Asked
[illegible]						
Windsor Court Apt., 3's serial	41.00	44.00	52.00	....	70.00	....
Municipal Bonds:						
City of Windsor, 1½'s '75	....	....	58.00	....	67.00	....
Do., 2's '75	....	....	66.75	....	79.00	....
Do. 3¼'s '75	....	....	86.00	90.00	95.00	....
Do., 4's '75	....	....	92.00	....	99.00	101.00
Town of Riverside, 1's	....	....	43.75	48.00	53.00	....
Township of Sandwich E.	....	....	40.00	44.00	52.00	....
Township of Sandwich W.	....	....	30.50	34.00	41.00	....
York St. Bldgs., 6's '43	78.00	85.00	88.00	92.00	91.00	95.00
York Adelaide, 7's '45	....	....	7.00	....	14.00	17.00

Stock Exchange Indexes — 6-year Range

Toronto Stock Exchange

	20 Industrials High	Low	20 Golds High	Low	10 B.M. High	Low	15 Oils High	Low
1944	132.08	116.63	114.61	99.54	77.15	67.37	29.61	25.17
1943	124.66	98.88	100.99	70.64	76.40	63.57	23.61	18.14
1942	98.87	79.85	83.71	50.16	71.01	58.74	18.86	15.44
1941	103.48	85.87	109.76	80.89	75.30	59.30	21.62	16.73
1940	128.93	86.00	123.80	77.34	88.97	56.81	33.31	18.44
1939	129.85	97.75	128.95	100.35	104.12	79.59	45.00	21.07

Montreal Stock Exchange

	10 Utilities High	Low	20 Industrials High	Low	10 Paper High	Low	15 Golds High	Low
1944	59.1	51.9	93.7	73.8	192.99	116.68	88.35	72.95
1943	63.5	51.8	82.4	63.4	129.9	74.1	79.1	49.2
1942	51.3	39.6	64.1	53.5	77.2	48.0	54.8	33.5
1941	54.3	41.1	66.6	52.3	88.9	59.0	80.0	53.9
1940	69.2	50.7	92.2	56.0	152.6	66.4	100.8	55.2
1939	70.1	55.9	93.8	63.2	155.5	50.8	126.5	86.7

National Bank Deposits Rise

Assets at new high
Current loans increase
Liquid position strong

New high records in assets and deposits and a strong liquid position are shown in the annual report of the Banque Canadienne Nationale for the year ended Nov. 30, 1944.

Net earnings at a little over $1 million were lower than in the previous year but taxes were slightly less at $306,720 against $318,282. Appropriation for pension fund and premises write-off were higher, leaving net profits available for dividends after all deductions at 67 cents a share on the new $10 par value stock, against 85 cents on a comparable basis in the preceding year.

Shares Subdivided

In compliance with the revised Bank Act, all the Canadian chartered banks, on Sept. 1, subdivided their $100 par value shares into 10 shares of $10 par value each.

Important items from the profit and loss statement follow:

INCOME ACCOUNT

Years Ended Nov. 30:	1944	1943
Net earnings	$1,047,747	$1,124,548
Less: Prov. for taxes	306,720	318,282
Pension fund	120,000	80,000
Net profit	621,027	726,266
Less: Dividends	420,000	420,000
Bank premises w/o	150,000	125,000
Payt. to Prov. of Que.	......	125,000
Surplus for year	51,027	56,266
Earnings per Share and Dividend Record:		
Common: Earned*	$0.89	*$10.38
Earned‡	0.67	*8.59
Paid	6%	6%

*Before (‡after) amt. w/o bank premises.
*Before 10-for-1 share sub-division.

Total assets at almost $300 millions were up $47 millions from the previous year. They included $168 millions Dominion and Provincial Government securities and $55 millions loans and discounts. Quickly available assets at $237 millions were equivalent to 82.84% of total liabilities to the public, against 82.60% in 1943.

Current Loans Up

The rise in current loans and discounts was accomplished in spite of a general decline in the demands of business for bank credit.

Public interest-bearing deposits at $178 millions were substantially higher, while public demand deposits at $64 millions were also up. Dominion and Provincial Government deposits also showed an increase.

CONDENSED BALANCE SHEET

As at Nov. 30:	1944	1943
Cash on hand	$20,606,998	$21,296,576
Dep. B. of Can.	27,108,181	17,885,339
Dep. other banks	2,515,696	4,422,233
Call and short loans	4,305,294	3,229,378
Dom. & prov. secs.*	168,188,340	136,449,893
Other securities*	14,801,489	14,754,035
Total quick assets	237,525,998	198,037,454
Loans & discounts	55,630,846	47,082,967
Bank premises	4,346,400	4,486,501
Letters of credit	296,145	315,434
Other assets	1,683,651	2,257,377
Total assets	299,483,041	252,179,733
Circulation	1,525,832	2,138,467
Dom. prov. deposits	40,803,765	32,401,457
Pub. non-int. bear. dep.	64,202,401	60,933,871
Pub. int.-bear. deps.	178,101,025	141,784,227
Due to banks	2,017,551	2,128,230
Letters of credit	296,145	315,434
Sundry liabilities	63,419	58,098
Total liabs. to pub.	287,010,228	239,759,784
Divds., etc.	111,316	109,479
Reserve	5,000,000	5,000,000
Capital stock	7,000,000	7,000,000

Dosco States Probe Stand

From Our Own Correspondent

SYDNEY, N.S.—The Dominion Steel & Coal Corp. has issued a statement that the proposal for a joint submission by company and union to the Carroll coal commission had been abandoned. This step has been taken, it is stated, only because Freeman Jenkins, president of United Mine Workers of America District 26, had rejected a memorandum of reference that had been drawn up by the unions's own negotiation officer. Mr. Jenkins had announced several weeks ago that the joint submission plan had fallen through because the company had turned down all proposals except one.

Dominion Steel's statement says that company and union representatives had agreed to hire two American mining experts to prepare the joint submission to the commission. The company had immediately approved of the plan arranged by company and union representatives, but, it is stated, President Kelly refused to endorse the plan for the alleged reason that the company had not consented to a collateral joint submission dealing with such matters as governmental policy and certain aspects of labor relations "having no reference to the enquiry the Carroll commission is to undertake."

CPR November Net Ahead of Last Year

From Our Own Correspondent

MONTREAL — Although gross revenues of Canadian Pacific Railway in November were $296,296 below Nov., 1943, expenses were cut by $735,734, with the result that net operating revenues, at $6,030,078, were $439,438 ahead of last year.

Gross revenues for the first 11 months of 1944 totalled $293,278,868, an increase of $23,453,905 over like 1943 period, while net earnings were down $5,784,189, at $38,409,729. This decline was accounted for by the retroactive wage increases, and the 11-month net was the lowest since 1940.

Municipal Bonds

Jan. 2, 1945

	%	Due	Bid	Ask.	Yld. %
†Halifax	5	1961	123.00	123.00	3.20
Hamilton	5	1950	109.00	112.00	2.57
Montreal	3	1950	98.00	101.00	2.81
Ottawa	3	1953	101.25	103.75	2.50
†Quebec	5	1959	118.25	121.25	3.16
Saint John	5	1950	107.00	110.00	3.15
†Toronto	4½	1955	123.25	126.25	1.84
†Vancouver	5	1970	121.50	124.50	3.51
Winnipeg	6	1950	111.00	114.00	3.18

† Payable Canada & New York.

Bond Tenders

12 noon, Dec. 28—Canada Treasury Bills, $65,000,000 dated Dec. 29, payable March 28, 1945.

12 noon, Jan. 3—City of Calgary, Alta. Sealed tenders $3,500,000. 2½%, 3% and 3½% serials due Feb. 1946-62.

Dividends Declared

	This payment $	Date payable	Date of record
Aluminium	1.25	Feb. 1	Jan. 4
...-Huronian	.10	Jan. 24	Dec. 29
Bank of N. Scotia	.25	Feb. 1	Jan. 16
Barber-Ellis pref.	1.75	Jan. 15	Dec. 31
Bathurst Pr. & Pap.	▪.25	Mar. 1	Jan. 31
Beatty Bros. A	.50	Jan. 15	Dec. 15
Do., B	.25	Jan. 15	Dec. 15
Do., pref.	3.50	Jan. 15	Dec. 15
Beaver Lumber	▪.50	Feb. 1	Jan. 10
Bell Telephone	2.00	Jan. 15	Dec. 23
Biltmore Hats	.15	Jan. 15	Dec. 30
Bralorne Mines .20 &	.10	Jan. 15	Dec. 20
Brant. Cord.	.12½	Jan. 15	Dec. 20
Do.	.32½	Jan. 15	Dec. 20
B. C. Power	.40	Jan. 15	Dec. 30
Buff. Ankerite	.05	Jan. 11	Dec. 26
Calgary Power	1.50	Jan. 31	Jan. 10
Can. Bronze	.37½&.50	Feb. 1	Jan. 10
Do., 5% pr.	1.25	Feb. 1	Jan. 6
Can. & For. Secs.	.06	Feb. 1	Jan. 17
C. Celanese Rights.	1.00	Mar. 15	Dec. 13
Can. South. Rly.	†1.50	Feb. 1	Dec. 26
Can. Bank Comm.	.15	Feb. 1	Dec. 30
Can. Converters	.75	Jan. 31	Dec. 15
Can. Food Prod.	.62½	Apr. 1	Feb. 28
Can. Gen. Invest.	.15	Jan. 15	Dec. 30
Can. & For. Sec.	.06	Feb. 1	Jan. 17
Can. Indus. 7% pr.	1.75	Jan. 15	Dec. 18
Can. North. Pwr.	▪.15	Jan. 25	Dec. 20
Do., pfd.	▪1.75	Jan. 15	Dec. 20
Can. Pacific 4% pr.	2%	Feb. 1	Dec. 29
Capital Trust	2.00	Mar. 1	Dec. 31
Com. Alcohols	.05	Jan. 15	Dec. 30
Do., pref.	.10	Jan. 15	Dec. 30
Cons. Mining .50 &	.75	Jan. 15	Dec. 12
Dairy Corp.	1.25&1.25	Apr. 1	Mar. 1
Dom. Glass	1.25	Jan. 15	Dec. 28
Do., pref.	1.75	Jan. 15	Dec. 28
Dom. Bank	.20	Feb. 1	Jan. 15
5% pfd.	†1.25	Feb. 1	Jan. 15
Dom. Dairies	.44	Jan. 15	Dec. 31
Dom. Malting	.20	Feb. 1	Jan. 2
Do.	.20	May 1	Mar. 31
Do.	.20	Aug. 1	June 30
Do. 5% pf.	1.25	Feb. 1	Jan. 2
Dom. Oilcloth	.30&.10	Jan. 31	Dec. 29
Dom. Textile pfd.	1.75	Jan. 15	Dec. 15
Donnacona Pap.	.25	Mar. 1	Jan. 15
East. Bakeries pr.	1.00	Jan. 15	Dec. 31
East. Townships	.25	Jan. 15	Dec. 30
Electrolux	†.25	Jan. 30	Dec. 30
Foundation Co.	.35	Jan. 19	Dec. 31
Fraser Co.	.35	Jan. 15	Dec. 30
General Trust pr.	1.25	Jan. 15	Dec. 31
Great Lks. Pwr. pr.	1.75	Jan. 15	Dec. 30
Guarantee of H.A.	1.50 & 2.50	Jan. 15	Dec. 30
Guaranty Trust	1.25	Jan. 15	Dec. 30
Holt Renfrew	3.50&1.75	Jan. 15	Dec. 5
Intnl. Bronze	.20	Jan. 15	Dec. 15
Do., pf.	.37½	Jan. 15	Dec. 15
Imperial Bank	.20	Feb. 1	Dec. 30
Inv. Foundation	.75	Jan. 15	Dec. 15
Intn'l Milling pr.	†1.00	Jan. 15	Dec. 29
Intn'l Nickel pf.	†1¾%	Feb. 1	Jan. 2
Intnl. Metals pf.	1.50	Feb. 1	Jan. 10
Intnl. Paints	1.00&1.00	Jan. 12	Dec. 11
Intn'l Utilities	†.87½	Feb. 1	Jan. 20
Invest. Found.	.25	Jan. 15	Dec. 15
Lamaque Gold	.05	Feb. 1	Dec. 28
Maritime T. & T.	.17½	Jan. 15	Dec. 20
Do., pref.	.17½	Jan. 15	Dec. 20
McColl-Frontenac	1.50	Jan. 15	Dec. 30
Melchers	.30	Jan. 17	Dec. 15
Mtl. L. H. & Pwr.	.20	Jan. 31	Dec. 31
Mtl. Telegraph	•.48	Jan. 15	Dec. 15
Nat. Biscuit	†.30	Jan. 15	Dec. 12
Nat. Steel	.25	Jan. 15	Dec. 15
O'Brien Gold	.05	Jan. 29	Dec. 28
Ont. Steel	.25	Feb. 15	Jan. 15
Do., pfd.	1.75	Feb. 15	Jan. 15
Paymaster Cons. M.	.01	Jan. 9	Dec. 9
Power Corp.	.75	Jan. 15	Dec. 20
Do., 6% pfd.	1.50	Jan. 15	Dec. 20
Preston East Dome.	.05	Jan. 15	Dec. 15
Premier Gold	.01	Jan. 15	Dec. 15
Proprietary Mines.	.05	Jan. 9	Dec. 7
Quebec Power	.25	Feb. 26	Jan. 25
Rolland Paper	.15	Feb. 15	Feb. 5
Do., pfd.	1.50	Mar. 1	Feb. 15
Sangamo, com.	.15	Feb. 1	Jan. 10
Shawinigan Pwr.	.23	Feb. 26	Jan. 18
Sheep Creek Gold	.03	Jan. 15	Dec. 31
Howard Smith	1.50	Jan. 29	Dec. 31
South Can. Power	.20	Feb. 15	Jan. 19
Do., 6% pfd.	1.50	Jan. 15	Dec. 20
Standard Chem.	.50	Mar. 1	Jan. 31
Standard Radio	.10	Jan. 10	Dec. 21
St. Lawrence Corp.	.25	Jan. 15	Dec. 23
St. Lawrence P. M.	.75	Jan. 15	Dec. 23
St. Lawrence Flour.	.35	Feb. 1	Dec. 30
Do., 7% pf.	1.75	Feb. 1	Dec. 30
Steel of Can.	.75	Feb. 1	Jan. 8
Do., 7% pf.	.75	Feb. 1	Jan. 8
Sylvanite Gold	.03	Jan. 15	Nov. 6
Teck-Hughes	.05*	Feb. 1	Dec. 28
Tuckett Tob. pf.	1.75	Jan. 15	Dec. 30
United Bond .25 &	.10	Jan. 15	Dec. 30
Upper Can. Mine	.02½	Jan. 15	Dec. 30
Western Grocers	.75	Jan. 15	Dec. 15
Do., 7% pref.	1.75	Jan. 15	Dec. 15

▪ Subject to approval of Foreign Exchange Control Board.
† N. Y. funds. ▪Arrears.
• Net after corporate income tax.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)
Jan. 2, 1945

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
Alg. Cen. H.B.R.	5	'59	70	73	67½
Assoc. Tel. & T.	5½	'55	109	111	109
B. C. Power	4½	'60	102½	104½	102½
B. C. Tel.	4½	'61	107	109	107
Calgary Pwr.	5	'60	114	116	114
Do.	5	'64	105	...	105
Can. Nor. Pwr.	5	'53	112½	114½	112½
Gatineau Pr. A	3½	'69	113	115	113
♦Do., B	3½	'69	103	105½	103
Gt. Lakes Pwr.	4½	'56	102½	105	102½
Do.	5	'57	102	104½	102½
Int. Hydro-El.	6	'44	81½	84½	82
L. St. Law. Pwr.	5	'55	101	104	101
Macl'n-Que. Pr.	4	'59	103	105	103
Mtl. L. H. & Pr.	3½	'56	101	103	100½
Do.	3½	'73	99½	101½	99½
Do.	3½	'63	99½	101½	99½
Mtl. Tramways	5	'51	104½	106½	104
†Do.	5	'55	99	102	99
Nat. Lt. & Pwr.	4½	'61	97	100	97
N. S. Lt. Pr.	4	'57	103	105	103
Ott. L. H. & P.	4	'57	102½	105	102
Ottawa V. Pwr.	5	'59	102½	...	102½
Power Corp.	4½	'59	111	113	110½
Quebec Pwr.	4	'62	102	104½	102½
Sag. P. "A" a	4½	'66	114	116½	114
♦Do., B	4½	'66	105½	108	105½
St. Maurice Pr.	4½	'70	...	...	103½
Shaw. W. & Pr.	4	'61	103	105½	103½
†Do.	4½	'70	112½	114½	113
Do.	4	'69	104	106½	104
Union Gas	4½	'50	101½	103½	101½
United Secs.	3	'52	95	98	95
Wpg. El. ser. A	5	'65	100½	103	100½
Do. B	5	'65	99½	102	99½
Industrial and Realty Issues:					
Abitibi P. & P.	5	'53	107½	110	...
Do., C.O.D.	5	'53	107½	110	103
Acadia Sugar	4½	'55	101½	103½	101½
Do.	6	'54	101½	103½	101½
Alta. Pa. Grain	6	'46	104	...	104
Algoma Steel	5	'48	102	104½	102
Atlantic Sugar	4	'51	101½	103	101½
B. C. Pulp & P.	6	'50	103½	106	103½
‡Do.	7	'50	103½	108½	105½
Brown Co.	5	'59	94½	97	94
Burns & Co.	5	'58	97½	100½	97½
Canada Cement	4½	'51	103	105	103
Can. Electric	4½	'65	100½	103½	100½
Can. Paper	4½	'52	100½	103½	100½
Can. Steamship	5	'57	104	106½	104
Can. Int. Paper	6	'49	112	114	113
Can Locomot	6	'53	107	109	107
Candn. Vickers	6	'47	100	103	100
C. P. R.	3½	'51	103½	105½	103½
Do.	4	'49	105½	107½	105½
Consol. Paper	5½	'61	104½	106½	104½
Dom. Coal	4½	'52	101½	105	101½
Dom. Scott Inv.	4	'52	100	103	100
Dom. Stl. & C.	6½	'55	106½	109	106½
Dom. Woollens	5	'64	93½	96½	93½
Do.	4	'54	99	101½	99
Donnacona Pap.	4½	'56	...	...	102½
Dryden Pap.	6	'49	106	108½	106
Famous Players	4½	'51	103	105	103
Federal Grain	6	'49	106	...	106
Fraser Cos.	6	'50	...	...	113
Great L. Paper	5	'55	109	111	109½
Gurney Fdry.	5½	'49	100	103	100
Gypsum Lime	5½	'48	106½	108½	106½
Ham. Cotton	3	'44-'53	99	102	99
Inter-City Bak.	5½	'48	101	104	101
Indust. Accept.	4	'52	100½	103	100½
Ins. Ex. Bldg.	4-5	'51	64½	67½	64½
Inter. P. Nfld. (Bowater's P&P)	5	'68	108	110½	108
Inv. Bond & Sh.	5	'47	78½	81½	78
Kingston Elev.	6	'50	107½	110	107½
Lake St. J. P.	5½	'61	102½	104	102½
Do.	5	'61	96	99	96
Legare	6	'61	99½	102½	99½
Maple L. M.	5½	'58	101	103	101
Man. Sugar	5	'60	106½	109	106
Massey-Harris	4½	'54	103	105	103
McColl-Fron.	4½	'49	103	105	103
McCormicks	4	'52	101½	103½	101½
Do.	4½	'52	101½	104	101½
Mercury Mills	5	'59	100½	103½	100
Mersey Paper	6	'57	100½	...	100½
†Do.	6	'49	100½	...	100½
M. & O. Paper	5	'60	114	...	114
Moirs Ltd.	6	'53	100½	...	100½
Mtrl. Drydocks	6	'48	97	100	97
Montreal Apts.	4	'54	85½	88½	85½
N.S. Stl. Coal	3½	'63	91½	94½	91½
Price Bros.	5	'57	103½	106	103½
Prov. Paper	5½	'47	110½	...	110½
Reliance Grain	4½	'52	99½	102½	99½
Restigouche Co.	6	'48	...	...	111
Rolland Paper	4½	'51	101½	104½	101½
Ruddy, E. L.	6½	'48	...	...	101
Silv. Dairies	6	'66	101½	104½	101
Simpsons, Ltd.	4½	'51	100½	103	100½
Smith, Howard	4½	'51	102½	104½	102½
Sterling Coal	6	'45	...	...	100
United Amuse.	5	'56	102½	...	103
United Corp.	4	'58	100	103	100
United Gas	5½	'48	...	...	111
United Gr. Grs.	4½	'58	100	103	100
Western Grain	5	'63	87½	90½	87½

* Payable in Can. or U. S.
† Payable in Can., U. S. or U. K.
* Payable in U. S.
♦ Payable in Canada only.
‡ Traded without accrued interest.
▴ Payable in Can. or U. K.

Investment Trusts

	Bid	Asked
...filiated Funds	4.03	4.41
...an. Int. Trust	4.50	5.25
... Invest. Fund	4.00	4.35
...n Investors	5.50	6.75
[illegible]	3.01	3.34
...orporate Inv.	6.95	7.45
...ns-Canada (A)	11.05	...
Do. (B)	...	10.75

Business Leaders Look at '45

(Continued from page 13)

surance bought during the war and previous years.

I look for a good year in all phases of the business, subject to modest adjustments in keeping with the factors mentioned above.

• • •

R. V. Millar

President, Canadian Institute of Plumbing & Heating and vice-president and general manager Pease Foundry Co.

As far as the demand for plumbing and heating equipment is concerned, the picture for the forthcoming year of 1945 appears to be similar to that of the past year, viz., the urgent demand far exceeds the available production.

Until the acute manpower shortage in the manufacture of heating and plumbing materials is relieved, this situation would seem to be with us for sometime to come.

The need for homes is still great and the current outlook would indicate that the present building pace will continue, aided by the enlarged National Housing Act, that is, unless the shortage of materials and lack of satisfactory substitutes finally discourage necessary construction work.

Modernization of heating and plumbing systems in present homes will also be accelerated by the proposed reinstatement of the Home Improvement Plan.

• • •

R. S. McLaughlin

President, General Motors of Canada.

The trend of business in the Canadian automotive industry in 1945 will continue to reflect the progress of the war. As the year dawns the industry is completely engaged on production of war materials, but the order of importance of some of the contracts has been reshuffled by the changing nature of the battle in Europe.

Perhaps too many people are worrying about what will happen when the war ends. We in the automotive field are concentrating on the war job in hand. "Victory is our business" until the struggle is definitely ended.

It is idle to speculate on the extent to which the production capacity of our plants will be made available for peacetime goods in the event of the partial cessation of hostilities. Of course we shall do what we can in 1945 to plan for partial and ultimate complete reconversion, but the "trend of business" must continue to be delivery of more and more war supplies until we cross the finishing line.

• • •

Geo. S. Matheson

President, Winnipeg Grain Exchange.

The prospects for the coming year in the Grain Trade suggest a continuance of the record movement of 1944. There has been a considerable decrease in the wheat surplus but there is still sufficient supply to meet prospective demands for war purposes and to feed Europe should the war end next year. Some of this European demand may materialize from occupied countries even though Germany may still be undefeated in the field.

The present price level of all grains suggests that farmers in Western Canada can still further build up their financial resources, and, given an average crop yield in 1945, their outlook is in marked contrast to that of ten years ago.

The trend of general opinion, public and official, in Great Britain, Canada and the United States would appear to favor a return to normal trade conditions just as soon as possible after the war ends and that free international trade should prevail. Only such free trade, with government restrictions on the mechanical side only, can solve effectively those distribution problems so essential to the future economic well-being of both producer and consumer.

• • •

D. C. MacLachlan

President and general manager, Maple Leaf Milling Co.

The milling industry in Canada is almost certain of full-time operation in 1945 due to the fact that European countries being liberated from the Germans will require huge quantities of flour and other foodstuffs.

As long as the war continues the domestic demand for flour and all mill products will be great. We will still be supplying large quantities of bacon, beef, cheese, butter and eggs to Great Britain, which will create a tremendous demand for mill offal and all other kinds of feedstuffs.

The Canadian milling industry can be proud of its performance during this war. The amount of flour produced and shipped for export has been greater than ever before in the history of the industry. The profits have been controlled and our industry is one of the few in Canada that does not profit by the 20% refund of excess war profits.

• • •

H. R. MacMillan

President, H. R. MacMillan Export Co.

At present there is not a sufficient supply of lumber and plywood in Canada to meet war demands of the United Nations and also to supply the most important private needs for building and maintenance work on this continent.

The British Government has made arrangements to purchase large quantities of lumber and plywood from Canada as a partial supply for shipment during the two years following the end of the war with Germany. The quantities purchased are considerably less than the officially estimated British requirements. There has been a great accumulation during the past five years of deferred maintenance and postponed new construction in Canada and the United States.

Therefore the present indications are that war requirements and the civilian need for lumber on this continent will result in the demand being at least as great as the supply during the year 1945.

• • •

W. G. More

General manager, Imperial Bank of Canada.

Banking in Canada in 1945 can reasonably be expected to follow along somewhat similar lines to 1944. The chief function of the banks will again be to assist the operations of the Dominion Government to finance the requirements of the war to a successful conclusion. Present prospects are these will continue throughout the entire year and will involve the raising of further victory loans and the financing of military supplies of every description, including foodstuffs so necessary to complete the job.

So long as war expenditures continue at or near their present level, deposits, now at an all-time peak, are likely to continue to increase. On the other hand, with more and more industrial concerns in a position to finance their immediate needs without bank assistance there is no appreciable demand for new commercial loans in sight, though the extended loaning facilities provided in the revised Bank Act may help in this respect, particularly for farm improvements and equipment and in the construction industries, including housing, if the necessary materials are available for this purpose.

The banks were never better prepared to finance the needs of industry than they are today and with the cessation of hostilities and reduction in government expenditures they stand ready to do their full part in any postwar financing that may be required. The need then will be to see that all such expenditures are made wisely.

• • •

H. A. Nicholson

Editor and manager, Canadian Printer & Publisher.

Production value in the printing, publishing and related industries continued on a high record level during 1944 and no indication of a recession appears on the New Year horizon. Just as in the passing year, further increases promise to be checked only by manpower and paper supply limitations.

Daily newspapers advertising linage in the first six months of 1944 was up 10% over 1943, the upward trend continuing for the balance of the year and pointing to further advertising increases in 1945 for those dailies, mostly metropolitan, not at the end of their paper rationing tether.

Town weeklies across Canada have been consistently prosperous during 1944, though in many cases severely handicapped by labor shortage. Prairie weeklies which had hard going during lean years are now enjoying prosperity. The New Year outlook for the weeklies is good.

Leading magazines and business publications had a good year and look forward to new advances in 1945. They too are limited in expansion by paper rationing but the magazines of larger circulation have felt rationing handicaps more than the others.

In the new year the outlook is for new advertising gains from various expanding lines such as household supplies, foods, furniture and furnishings, office equipment, jewellery and silverware and other things, which have been held back by the war.

• • •

L. E. Potvin

President, Quebec Hydro-Electric Commission.

The significant features for the coming year are that the volume will be substantially less than in 1944. This will be due primarily to decrease in consumption of electric energy by some of the major war industries. On the other hand, there will be an improvement from the removal of restrictions on commercial lighting, an increasing number of domestic customers and an increased demand from nonwar industries. This improvement, however, will probably be offset by increased cost of labor, and the fact that reduced volume will not be compensated by a corresponding decrease in operating expenses.

Plans are being made:

1. For an extensive program of rural electrification;

2. For substantial expenditures for improvements that have been delayed due to war conditions.

The extent to which these plans can be carried out, however, will depend on the availability of labor and materials which are now scarce.

Substantial reserves of power and energy exist, and efforts will be directed toward stimulating new demands for electricity.

• • •

Leonard Phillips

President, Calgary Stock Exchange

In war or peace, oil is a vital necessity.

It is just 30 years ago since oil was first found in what became the world-famous "Turner Valley." During the present war years, millions of dollars have been spent by large and small Canadian oil companies and more recently large American companies in a continuous effort to solve the riddle of where in the foothills and plains of Alberta, more oil was hidden.

Significant recent "finds" in both foothills and plains areas undoubtedly justify me in writing that these finds will of necessity be developed to the limit and other "finds" will follow as day follows night, and the Canadian public will respond by participating in stocks of companies of merit listed on the Calgary Stock Exchange.

• • •

Robert Rae

General manager, Dominion Bank.

Statements of the Canadian chartered banks published to date, all indicate maintenance of a strong liquid position with ample resources and with the recent granting of the renewal of bank charters for a further ten-year period, the banks are now in a position, aided by their long years of experience, to meet any reasonable demands which may be made upon them to finance industry and trade.

Legislation enacted by the Dominion Government resulting in the incorporation of the Export Credits Insurance Corporation and the passing of a bill to encourage the provision of credit to farmers for the improvement and development of farms and living thereon, should be important factors in the maintenance of employment throughout Canada and in financing the export of Canadian goods and commodities to other countries.

If we are to meet the problems of the future successfully, the united efforts of government, labor, industry and finance working in harmony will be required, but if our citizens are united in a strong resolve to this end—and in a spirit of fair play and co-operation—we need not fear for the future of our country.

• • •

J. I. Robinson

Vice-president and general manager, Crane Ltd.

All our factories at the present time are working to full capacity with a considerable backlog, and we believe that this demand for our products will continue, and in fact increase, during the year 1945, and we are planning our production accordingly.

• • •

J. E. Reynolds

President, Remington Rand Ltd.

In the office machine field for 1945, we anticipate an increased output available for civilian needs. Quantities will depend upon the requirements of the armed forces and of war essential industries. But, as conditions on the battlefronts improve, war requirements should taper off materially, leaving a larger number of machines for users heretofore classed as non-essential.

Manpower is still a problem. As soon as this is available, we should be able to expand production to utilize improved allocations of raw materials and possibly offer a more complete line of machines and appliances.

• • •

C. H. G. Short

President and managing director, Lake of the Woods Milling Co.

The outlook for the milling industry for the coming calendar year is reasonably bright. For the first four months of the new crop year, which commenced September 1, the mills have been working at maximum capacity and are at present assured of continued operations at that peak until the end of March.

The hopes entertained that hostilities might be brought to an end in Europe in 1944 have proved, unfortunately, too optimistic. With Britain still at war in Europe the heavy demand for flour from the Canadian mills will almost certainly continue, so that from present indications, from war conditions alone, the mills will be kept very busy from continued shipments under mutual aid far into the New Year.

It appears reasonably certain, too, that heavy demand for flour should continue for a period beyond the end of the war in Europe, so that the outlook in general for Canadian flour mills for 1945 appears to be a duplication of operations and results of 1944

• • •

J. I. Simpson

President, Rubber Association of Canada and president and general manager, Dunlop Tire & Rubber Goods Co.

The rubber industry cannot anticipate any major relaxation of wartime restrictions during 1945. In spite of the outstanding industrial achievement which has provided an abundance of excellent synthetic rubber, crude natural rubber remains an indispensable ingredient in most rubber products.

Although efforts to increase natural rubber production in the areas open to the United Nations have met with some success, supplies of natural rubber have steadily declined, and will probably continue to do so until the Japs are driven from Malaya and the Netherlands East Indies. This factor alone prevents a general relaxation of restrictions in the near future.

On top of this, the military demands for the tires have reached an unprecedented level in the past few months as tires are being worn out and destroyed at an unexpected rate under the tough combat conditions prevailing in Europe, Asia and the Pacific. Consequently, the tire division of the industry will have to produce military tires as never before.

Nevertheless, under the able guidance of the Rubber Controller, the rubber industry will continue to provide the multitude of rubber articles essential to industry generally, to keep the nation well shod with protective rubber footwear, and to supply the tires needed for essential transportation. The ordinary civilian motorist, however, will probably have to make do with the tires he has during most, if not all, of the forthcoming year.

• • •

P. H. Scowen

General manager, Brompton Pulp & Paper Co.

The kraft division of the pulp and paper industry will operate at full capacity during the year 1945. While some shortage of wood may be experienced in the over-all demand, it is likely that the kraft mills will be provided with sufficient wood to ensure full operation.

The products of Canadian kraft mills continue to be consumed by war and essential industries to the extent of approximately 85%. The potential demand from Europe is substantial, and it is expected that this division of the industry will continue to operate at full capacity for some considerable time to come.

• • •

H. L. Southall

Manager, Merchandising Newspapers Division, MacLean Publishing Co.

Retailers and wholesalers, in general, expect to maintain during 1945 the rate of increase in volume which they have enjoyed in 1944. For the first ten months of 1944 the general index of all retail sales in Canada was up 7.8% over previous year.

Merchandise supply will probably be as good, if not better, than in 1944. A favorable turn in the war situation bringing the end definitely in sight would have a very stimulating effect upon availability of civilian merchandise.

Credit conditions among the retail trade are the best they have ever been within the memory of many old-timers. This situation means that retailers are operating with more freedom in selection of sources of supply. More initiative and resourcefulness will undoubtedly be shown in plans for expansion and improving merchandising facilities. Very definite plans are under way for such improvement among independent retailers, chains and co-operatives.

Many English and United States firms are taking a more active interest in possibilities for reopening business in the Canadian market. There are a great many enquiries for the names of agents capable of giving good representation.

• • •

W. H. Somerville

Vice-president and general manager, Mutual Life Assurance Co.

It is particularly hazardous to attempt to comment concerning possible developments next year.

About the best one might attempt to do is to indicate the manner in which the forecasts of a recognized commentator are likely to be reflected in Canadian affairs.

Adopting this course, there would seem to be some likelihood of a reduction in national income payments to individuals next year; that there may be some reduction in the volume of industrial production; that we shall not experience any marked change in interest rates; and that in the life insurance business some reduction in volume of new business is quite probable.

• • •

Robt. C. Stanley

President, International Nickel Co. of Canada.

The greater part of the world's supply of nickel in all forms comes from Canada, which country during 1944 was able to deliver to the United Nations over 50% more nickel than during the pre-war years.

The nickel requirements of the armed services, war production and essential services have continued at a high rate and have absorbed virtually the entire nickel supply. Therefore, the release of any appreciable quantities of the metal for civilian purposes must await cutbacks from the present rate of war orders.

It is estimated that present production facilities will ensure an adequate supply of all nickel requirements expected after war demands are over. Nickel will come out of the present conflict with a much more favorable outlook than at the close of the First World War.

While International Nickel has given attention to the development of new peacetime products this work has definitely been subordinated to the task of keeping war production at the highest possible level. Research work carried on in the past few years in behalf of vital war efforts will direct the stream of nickel and nickel alloys from war machines and munitions to new uses in the greater realm of peace.

• • •

H. J. Symington

President, Trans-Canada Air Lines.

The total of TCA personnel increased 15% during the year. Many of the newcomers were repatriated and discharged members of the armed forces and this trend is expected to become more pronounced. In particular, the company relied exclusively on repatriated RCAF personnel in selecting candidates for its flight crew training classes.

Prospects for 1945 are conditional upon the over all war picture. TCA has very concrete ideas for peacetime international operations. Planned expansions and developments will be implemented as soon as conditions warrant. At home, a direct Winnipeg-Edmonton service will be begun immediately upon the completion of the required airport and navigational facilities along that route; other additional schedules are contemplated.

• • •

M. J. Smith

President, Canadian Life Insurance Officers Association and president and general manager, Equitable Life Insurance Co.

Notwithstanding the financial strains of wartime, the life insurance business is looking forward to another year of effective operations in its jobs of providing protection for Canadian families and contributing to the social and economic welfare of the Dominion.

During 1944, there was an inevitable increase in payments of death claims; about 15% of all those payments went to families of men who lost their lives in Canada's armed forces. In view of the statements by Allied leaders that the bloodiest battles of the war will be fought in Europe this year, we must anticipate a further increase in war deaths among policyholders.

Another strain which will con-

(Continued on page 19)

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Publisher's Statement The Halifax Herald - The Halifax Mail
6 months ending September 30, 1944

8. Average net paid circulation:	Combined Daily	Morning	Evening
CITY ZONE			
Carrier Delivery by independent carriers filing lists	18,123	1,322	16,801
Dealers & Carriers not filing lists	5,628	2,351	3,277
Par. 28(a)	8,684	5,439	3,245
Street Vendors	17	8	9
Publisher's Counter Sales	109	1	108
Mail Subscriptions			
Total City Zone (Population 1941 Census 97,144)	32,561	9,121	23,440
RETAIL TRADING ZONE			
Dealers & Carriers not filing lists	22,218	20,720	1,498
Mail Subscriptions	24,448	14,676	9,772
Total Retail Trading Zone (Population 1941 Census 480,818)	46,666	35,396	11,270
Total City & Retail Trading (Population 1941 Census 577,962)	79,227	44,517	34,710
ALL OTHER			
Dealers & Carriers	1,856	1,842	14
Mail Subscriptions	2,752	1,967	785
Total "All Other"	4,608	3,809	799
Members of Armed Forces			
TOTAL NET PAID excl. Bulk (For bulk sales see Par. 10)	83,835	48,326	35,509
AVERAGES BY QUARTERS: April 1 to June 30, 1944	83,076	47,196	35,880
July 1 to Sept. 30, 1944	84,584	49,441	35,143

9. Net press run by editions & time of issue: Morning, Sept. 14, 1944 — 1st 2:58 AM 49,756; Evening, Sept. 14, 1944 — 11:51 AM 36,009
For explanation regarding distribution see Par. 28(b)

Herald & Mail Leadership in Nova Scotia

Let the figures state the facts! Here they are, as reproduced from the Publisher's Statement to the Audit Bureau of Circulations of The Halifax Herald and The Halifax Mail for the six months ending September 30th, 1944.

Compare carefully the figures ringed for a true picture of the daily newspaper situation in Nova Scotia — figures that proclaim the outstanding leadership of The Halifax Herald and The Halifax Mail.

1 Total Circulation The Halifax Herald and The Halifax Mail 83,835
Total Circulation of next Halifax paper 28,714
The Halifax Herald and Mail Circulation is practically 3 TIMES GREATER!

2 Total City Zone Circulation of The Halifax Herald and The Halifax Mail 32,561
Total City Zone Circulation of next Halifax morning and evening paper 10,828
The Halifax Herald and Mail Circulation is more than 3 TIMES GREATER!

3 The Milline Rate for The Halifax Herald and The Halifax Mail is $2.15
The Milline Rate for next Halifax paper is $3.81
The Halifax Herald and Mail Milline Rate is LOWER by NEARLY HALF!

On every count Herald and Mail Leadership is predominant—HIGHEST in circulation by far and LOWEST in milline rate. Invest your advertising dollars where they will bring the biggest returns.

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The Voice of Nova Scotia — The Choice of Nova Scotia
E. A. Williams—Canadian Representative—Toronto and Montreal
Ward-Griffith Co. Inc.—U. S. Representatives—New York, Chicago, Boston, Atlanta, Detroit, Los Angeles, San Francisco, Salt Lake City.

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Analysis on request
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Mineral Output Lower in 1944

D. B. S. Production Estimate Reflects Labor Shortage

Reflecting lessened emphasis on strategic minerals and a labor shortage in base metal as well as gold mining, Canadian mineral production at $482.3 millions in 1944 (D.B.S. estimate) was approximately $45 millions less than the $527.9 millions of 1943 and was the lowest total since 1939.

Production of metals, including gold, was $307.3 millions against $356.8 millions for 1943 while the fuel division of coal, natural gas, peat and crude petroleum showed a $99.4 millions recovery, up nearly $9 millions from 1943, and the highest in recent times. Other metallics had a value of $34.2 millions against $38.7 millions.

Estimated gold output at $111.1 millions was $29 millions less than in the previous year and is down close to 50% from the level of a few years ago. Copper, nickel, lead and zinc showed varying decreases as shown on accompanying charts.

Lower production of lead from Consolidated Smelters is reflected in a 301.1 million pounds output—against 444.1 millions the previous year. Copper output held up at 547.9 million pounds against 575.2 millions. Nickel output was 276.2 million pounds against 288.0 millions. Zinc production was 561.1 million pounds against 610.8 million pounds. Magnesium production at 10.7 million pounds showed a 50% increase over 1943.

Nonmetallics other than fuels showed a decline to $34.2 millions chiefly because asbestos output was $18.2 millions against $23.2 millions for the previous year, increases in other items not being sufficient to make up the loss in the asbestos item.

Gold is still the single most important item produced by the Canadian mining industry. Due to the extreme labor shortage, Ontario and Quebec each experienced a 20% decline in output, Manitoba and Saskatchewan mines were each down 26%, British Columbia gold mines were down 21%, Northwest Territories 65%, and the Yukon 41%.

As the supply situation for certain strategic minerals improved, a number of properties have been closed down: the Chromeraine chrome property in Quebec, operated by Wartime Metals Corp.; Indian Molybdenum, which discontinued operations in April; and the two mercury producing properties in British Columbia.

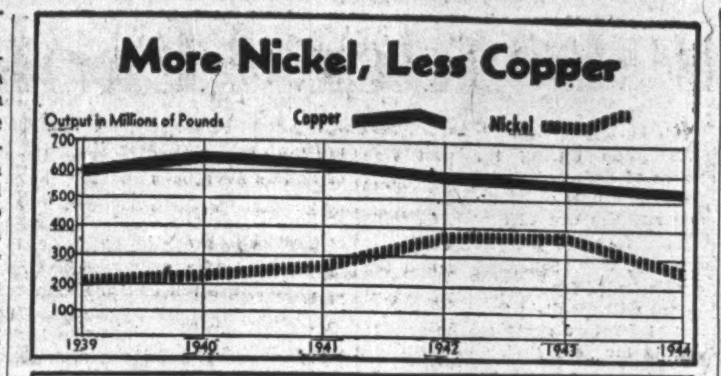
Thallium was produced for the first time in Canadian history by Hudson Bay Mining & Smelting Co. in 1944 while a small production of iron ore was achieved by Steep Rock Iron Mines the latter part of the year. Altogether 549,922 tons of iron ore were produced compared with 641,294 tons the preceding year.

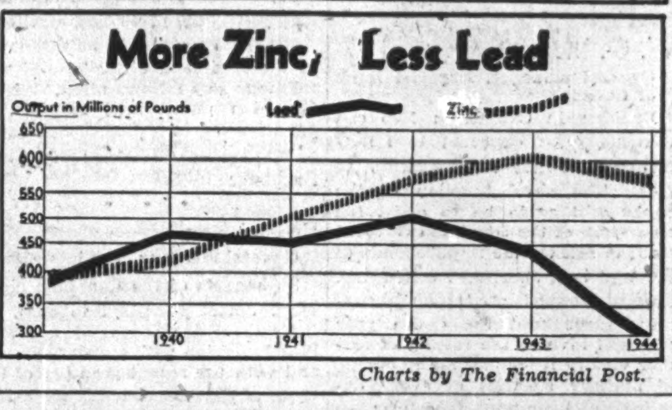
Mineral production by provinces was as follows:

Dominion Mineral Output†
($000 omitted)

	1944	1943
Ontario	$209,350	$221,603
Quebec	87,417	101,611
British Columbia	56,355	68,442
Alberta	51,377	48,179
Nova Scotia	35,313	29,980
Saskatchewan	22,224	26,736
Manitoba	13,728	13,412
New Brunswick	3,429	3,677
Yukon	955	1,626
N. W. T.*	2,112	2,680

*Not including production of pitchblende products.
†D.B.S. estimate.





Charts by The Financial Post.

We will be pleased to furnish information on any of our industrial or mining stocks.

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OIL PRODUCTION

Jumping Pound Interest Found Broadening Out

From Our Own Correspondent

CALGARY—The Jumping Pound discovery—most important development in Alberta foothills since Turner Valley—has focused attention on the entire 15,000 square-mile belt. Reservations, permits and leases newly granted—or now applied for—will fill in practically all of the blank spots in the acreage picture from Turner Valley north and west for 200 miles to the Entrance-Jasper-Coalspur area. Acreage taken up, or applied for, in this area totals around 2,000,000 acres.

Dominant operators in this area are Shell Oil of Canada—with holdings from Jumping Pound to the Entrance area now totalling about 800,000 acres—and the Imperial Oil group, which controls around the same amount of acreage under its own name, through Royalite Oil, Northwest Co. et al. Independents in the picture with large holdings include Home Oil Company, Anglo Canadian, Roxana Oils, participants in "Calling Valley Oils," and others.

• • •

Pumping Steveville Well

Princess-Steveville Syndicate No. 1, discovery oil well from the Bow Island sand, commenced intermittent pumping operations on Dec. 19. The well shows a flush rate of 35 to 40 bbl. daily, is expected to settle on steady pumping to around 25 bbl. daily. The well, completed last June, encountered oil and gas in the Bow Island sand from 2,520 to 2,567 ft. After setting 7-in. casing to 2,518 ft., the well was flowed under its own power for a time, yielding from 15 to 20 bbl. of oil per day. It was decided to place the well on pump, on advice of Benton & Spencer, petroleum engineering firm retained by the operator. The well is reported performing quite satisfactorily on pump. The oil—which tests 25 to 26 API gravity, is being delivered to the North Star Oil refinery at Winnipeg.

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Jumping Pound Status

Shell Oil of Canada No. 4-24-J at Jumping Pound responded satisfactorily to a 5,000 gallon acid treatment. Later the well was officially reported flowing wet gas at 11,700,000 cu. ft. daily, under back pressure (390 lb. on the tubing, 240 lb. on separator). Condensate recovery in 15 hours was 57 barrels, a rate of about 95 bbl. daily. Gravity of the oil ranged from 49 to 51 degrees API. The well to date has received 8,500 gallons of acid. Decision as to further acidizing has not yet been reached.

What will be the future of Shell 4-24-J, Jumping Pound discovery well? While no official statement has been made, it is likely that the well will be produced somewhat under its potential to provide fuel gas for Shell's future drilling in the area. (Each drilling well would use about 1,500,000 cu. ft. daily.) Some oil would, of course, also be recovered.

The well's chief importance lies in its discovery of oil and gas bearing limestone on the long, broad anticline on whose crest it was drilled. Operations to date have shown that the lime—as in Turner Valley—responds quite satisfactorily to acidization. Next important step will be drilling on the flanks of the structure where, it is hoped, prime recovery will be crude oil in volume. The "gas cap" portion of the structure, while not of immediate great economic value, constitutes a gas reserve for the future. (The Shell discovery well is 18 miles west of Calgary, which together with a number of smaller communities, draws gas from the slowly waning Turner Valley gas reservoir).

Gray Writ on Yellowknife Gold Asks Return of Its Shares

A writ for an "interim injunction and declaration" is understood to have been issued by J. J. Gray against Yellowknife Gold Mines et al which asks in part for a return of 700,000 shares alleged to have been taken up by Bear Exploration and Radium from the Yellowknife treasury at 30 cents a share under the terms of a disputed option.

The 700,000 shares, it is reported, were taken down on Nov. 15, 1944, under an option agreement which is disputed by J. J. Gray, a large shareholder and former officer. In a Gray injunction secured in 1944 preventing B.E.A.R. from absorbing its subsidiary on the basis of one B.E.A.R. share for each two Yellowknife shares issued, it is claimed the option is invalid.

It is alleged that shareholders of Yellowknife Gold Mines were not informed of the taking up of these shares by B.E.A.R. at the adjourned meeting held Dec. 15, 1944. Mr. Gray is reported to have discovered the transaction when examining the books in preparation for his first court action.

The Gray writ is to set aside the transaction; to enjoin permanently the company to return the shares to the Yellowknife treasury and to declare the option invalid.

The Gray group claims that the contested option dates back to July, 1936, when B.E.A.R. received an option on Yellowknife treasury shares with no specified termination date. However, on July 27, 1943, Yellowknife Gold Mines is stated to have extended the option for a period of two years.

The exercising of the Yellowknife option by B.E.A.R. now places sufficient funds in the Yellowknife treasury to enable the company to exercise its rights on Giant Yellowknife stock on the basis of one Giant share at $5 for every 10 shares of Giant stock held.

J. J. Gray is reputed to own over 500,000 shares of Yellowknife Gold stock at present. On July 17, 1944, a group of Toronto brokers, headed by J. Bradley Streit, purchased 100,000 shares of the 150,000 shares owned by the Sir Harry Oakes estate at $1.50 per share, and this group is now one of the large shareholders.

Shares of Yellowknife Gold Mines have strengthened from $1.30 to over $2 recently.

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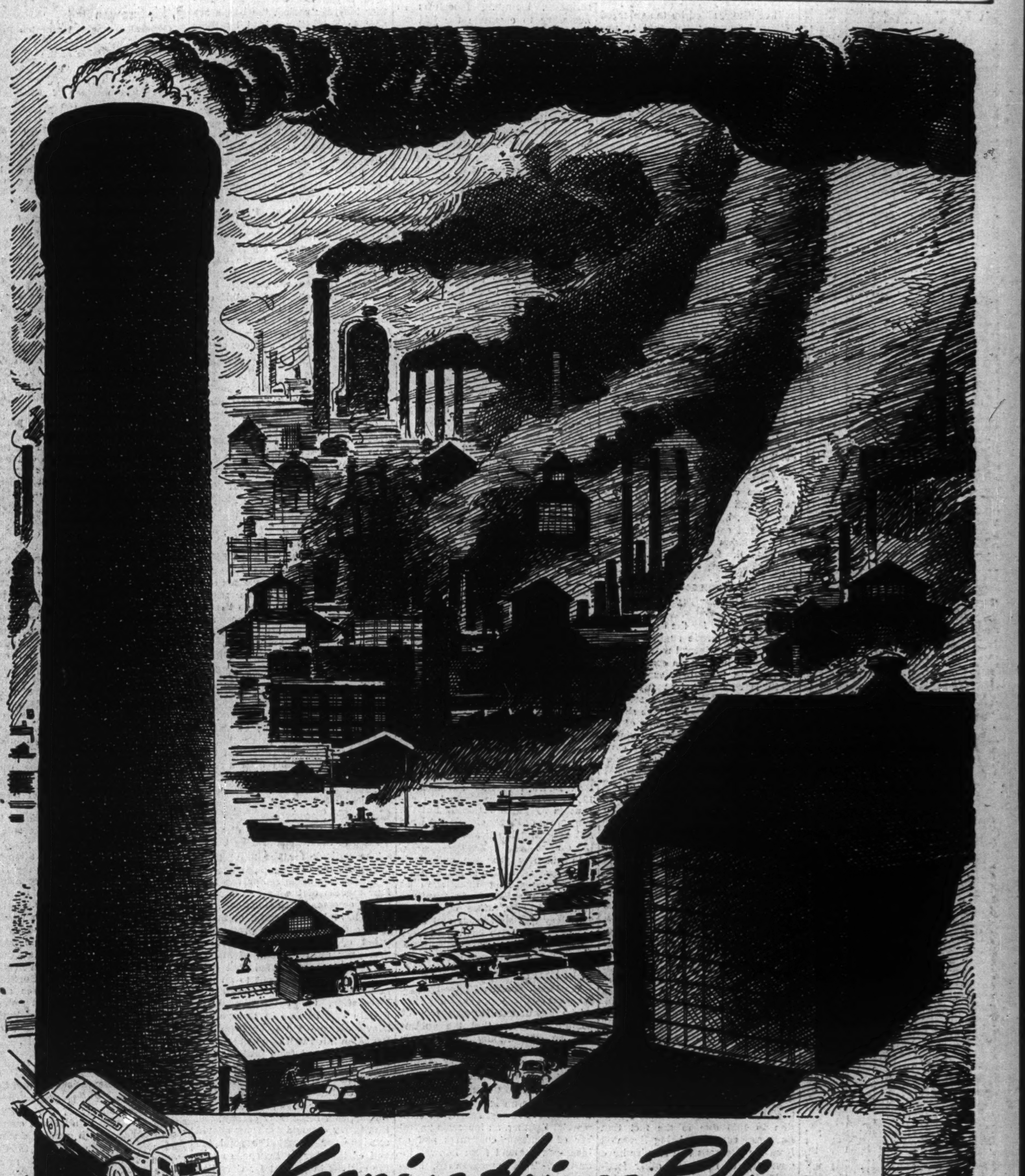

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Business Leaders Look at '45

(Contd. from page 17)

tinue through 1945 is the lower rate of earnings on the life insurance companies' investments. For example, since the outbreak of war the industry has put $1,128 millions into victory bonds which yielded about 3%.

During wartime, Canadians have shown an increasing inclination to keep their life insurance in force. As a result, the lapsing of policies, terminations through surrender for cash value, and policy loans have all been in lower proportions than ever before. That gratifying trend continued through 1944 and the industry hopes this healthy situation will be maintained this year.

• • •

V. R. Smith

President, Confederation Life Association.

During 1944 life insurance has increased the services it gives both to policyholders and to the country as a whole.

The assets of the companies have decreased in many instances substantially. In the western provinces real estate has been substantially reduced and mortgage loans repaid in great amounts. For some companies in some of the provinces their real estate for sale has disappeared entirely from their portfolios.

Business in force shows marked increases. New business is greater, lapses are less, surrenders fewer and it is expected that these trends will continue during 1945. Interest earnings during 1944 will be less and it is expected they will continue to be less as a greater proportion of the assets are placed in government bonds at 3%.

During the year 1944 the government's plans were announced with regard to National Housing projects. Although little has as yet been done, the companies are much interested and expect to do a substantial business in this regard as soon as the regulations covering the making of these loans have been promulgated.

Perhaps the most unexpected feature of 1944 has been the mortality experience which has been about the same as the previous year, even though the war claims have been somewhat greater. One expects that this favorable feature will not continue, since we are warned that there is still heavier fighting ahead, and the unexpected German offensive drives this warning home.

In general, the developments of 1944 would seem to indicate trends along the same lines for 1945.

• • •

Robt. Lynch Stailing

President, Dominion Board of Insurance Underwriters and manager for Canada, Sun Insurance Office.

Satisfactory results from the operations of multiple line companies writing fire, automobile, casualty and inland transportation insurance depend on the cessation of hostilities and the time required for the readjustment of business in general to peacetime conditions.

In fire insurance, following the unprecedentedly long favorable loss experience, coverages have been broadened and rates reduced to the danger point. When we take into consideration the pressure under which industry has been operating and the enforced neglect of repairs and replacements, it seems probable that the period of rising loss ratios which began in 1943 is likely to continue throughout 1945 with some rise in premium income owing to the incidence of three-year policies on mercantile and manufacturing risks.

In automobile insurance, because of the obsolescence of cars, the inferiority of tires and the scarcity of experienced truck drivers, one looks for a less favorable experience than has been the case since the introduction of gas rationing, and for a drop in income.

In general casualty insurance it is probable that there will be some advance in income but the dearth of trained men under present conditions militates against the development of this important class.

Inland transportation insurance is an expanding class of recent growth but the business has not yet been stabilized and placed on a proper footing. However, progress in this direction is hoped for.

• • •

E. P. Taylor

Chairman, Canadian Breweries Ltd.

Since the federal government restrictions on the sale of beer were removed last March and the control of sales given back to the provincial governments the principal limiting factor on the volume of production has been the availability of malt. Notwithstanding the fact that present sales greatly exceed the restricted sales of last year, the demand is still considerably greater than the supply. The over-all capacity of the brewing industry in Canada is greater than the present production and is limited by the supply of malt. Therefore if more malt is made available to the industry more beer can be produced.

We, therefore anticipate the operation of the industry in 1945 will be no less, and possibly at a higher peak than in 1944, all dependent on the supply of malt.

• • •

A. S. Tait

President, English Electric Co.

Production of heavy electrical apparatus should continue at a high level. First and foremost must be met the requirements for war purposes on which the industry has been concentrating and on which unabated efforts are now needed.

A great deal of attention has been given by industry as a whole to planning for peacetime operations. We must make certain that this does not divert our time and energies from the most vital job before us—war production requirements.

Should events during 1945 lessen the war demands, considerable electrical apparatus will undoubtedly be needed for restoring service in allied countries. In Canada also many industries have been unable to secure normal replacements and this together with equipment required for conversion to peacetime manufacturing should result in an active domestic market when war requirements close. Indications are that 1945 should be a record year in the electrical industry.

• • •

L. B. Unwin

President, Canadian Pacific Air Lines Ltd.

Some recession in air traffic on the lines served by this company will take place, due to the reduction in the activities of contractors on war projects such as the Alaskan Highway and the Canol project. On the other hand, mining activities which have been on a reduced scale for several years are likely to be expanded considerably, as a preliminary to the full recovery and additional development of this vital industry. This is one of the measures necessary to assist in assimilating as large a number as possible of men returning from overseas and released from war industry. Other local air transportation should show some increase as materials and equipment are released for other reconversion activities.

On the whole, business on our lines during 1945 will likely approximate that of 1944.

• • •

Charles Vining

Chairman, Joint Executive Board, Newsprint Association of Canada—Canadian Pulp & Paper Association.

As far into 1945 as one can see at the moment, the volume of business for Canadian pulp and paper products is likely to be limited only by the available supply of pulpwood. This, in turn, will depend on the result of wood-cuting operations throughout eastern Canada during the winter months and on conditions next spring in driving the wood down the rivers to the mills.

Present probabilities are that the industry as a whole will continue to operate at about the current rate, which is considerably below full mill capacity, in the first half of 1945 with some improvement in the second half of the year depending, as above, on increased pulpwood supply. Demand is likely to continue substantially in excess of available supply throughout 1945, especially for Canadian exports of newsprint and pulps.

• • •

R. C. Vaughan

Chairman and president, Canadian National Railways.

The National system is carrying twice as much freight as in the years before the war and nearly four times as many passengers. When it is remembered that we are handling this unprecedented volume of traffic without adding greatly to our equipment, I think we are justified in the pride we take in our accomplishment.

The first concern of the Canadian National system, in all its ramifications is the winning of the war. At the same time, we are giving close attention to the problems of reconstruction and re-establishment. Research has been made and plans prepared for our postwar program and the railway is actively co-operating with industry in working out a blueprint for peace.

It is too early to go into details, but I might mention, as an example, that we have in mind new types of passenger equipment. The trend after the war will be toward what we call "closed accommodation" in sleeping cars, to such types as roomettes and double bedrooms. Hundreds of thousands of travellers have, through the war, learned, for the first time, the comfort and convenience of travel by night, and we shall be prepared to meet their requirements. We plan new types of coaches and improved dining facilities for travellers. The railways are alive to the fact that competition with other forms of transport will be accentuated after the war.

• • •

H. G. Watson

President, Canadian Woollen & Knit Goods Manufacturers Association.

Nobody can forecast 1945 events. If the war in Europe ends the woollen and knitting mills can reconvert to peacetime production immediately, unless the war in the Pacific necessitates the production of war textiles at the present rate. The reason quick conversion is possible is that our industry produces war munitions and civilian requirements on the same machinery and with the same labor force

Quick reconversion to peacetime production is important to provide immediate employment and reabsorb returned men on cessation of hostilities.

Among the problems our industry is working on are rehabilitation of machinery, technical education, foremanship training, research, and the re-establishment of men and women when they return from overseas. The latter is one of the most important tasks which our industry will undertake. It is essential that not only those who return in good physical condition be reabsorbed, but also those who return disabled.

Some slight idea of the war effort of our industry may be gleaned from the following figures of war goods delivered to the armed forces of Canada, Great Britain and other United Nations since Sept., 1939: 19,134 pairs of socks and stockings; 48,381,000 yards of wool cloth; 1,600,000 sweaters, pullovers, etc.; 3,851,000 blankets; 15,685,000 underwear garments; and 6,000,000 other knitted items.

• • •

Arthur B. Wood

President and managing director, Sun Life Assurance Co.

Final figures for 1944 are likely to reveal that new life insurance sold in Canada amounted to about one billions dollars, making a total in force of nearly $10 billions. These figures continue the upward trend of the war years in the sale of life insurance, and there is little indication that the trend will change during 1945.

The Canadian people have accustomed themselves to the discipline of war regulations. They have been wise in their spending and thrifty in their saving. Particularly, the four million policyholders of Canada have recognized the value of life insurance savings and protection, and this appreciation is becoming more marked every year.

The life companies of Canada for their policyholders have invested more than a billion dollars in Canadian war loans and their thrift has made possible one of the largest contributions to the nation's war effort. This anti-inflationary influence will continue to do good service and life insurance will, as in the past, be one of the major stabilizing factors of our national economy in the coming year.

• • •

A. N. Wolverton

President, Vancouver Stock Exchange and also Wolverton & Co.

The permanent peacetime future of British Columbia will be based primarily upon mining, lumber and agriculture.

All three require two factors for success—capital and labor. In former years, capital was scarce and labor relatively plentiful. Now conditions are definitely reversed. Capital is plentiful and cheap and labor is seriously lacking.

The return of thousands of men from wartime activities should rapidly develop a balance logically resulting in development of our basic industries beyond all former records.

There are a hundred fully equipped logging camps and a score of fully developed mines which have been starved for efficient labor during the past three years. There are 10,000 geologically favorable prospects in B. C. which deserve some work.

I can see the development of higher levels for securities based on increase in production from already developed mines—particularly gold. I can see some spectacular increase in wealth from undeveloped prospects—and the gainful employment of thousands of men in peacetime jobs.

All of which hinges on the victorious end of the war.

• • •

C. F. Wood

President, Hobbs Glass Ltd.

Glass is growing up. Because of the nature of its materials, it has been in plentiful supply since 1939. Because of this supply, many new techniques have been perfected and we are looking forward to very good business during the coming year, and for the decade ahead. We now have a glass that insulates; one that filters out the heat and glare; another that is practically unbreakable. Because of this development, glass can now be said to be a very practical structural and industrial material. Prior to this development, people thought of it as something that broke easily and cost a lot of money. Research has set this aside.

So far as our company is concerned, the year 1945 will be an interesting battle of attempting to partially change from wartime articles to peacetime. We do not fear this, because in manufacturing items for war, we have perfected so many new fabricating ideas, that we can easily change these into products for many industries. Items are now being manufactured for the furniture, hardware and building trade.

• • •

D. A. Whittaker

President and managing director, Sherwin-Williams Co.

Demand for the products of the paint and varnish industry continued at a high level during the year just past, and all indications point to another active period in 1945.

While it is true that shortages of raw materials, packages and manpower prevented the manufacture of sufficient goods to satisfy fully consumer demand, total volume of production was undoubtedly higher than in any previous year. The demand arose from both war and civilian sources and the total contribution of the industry to war production still continues heavy.

There is no evidence, as far as orders booked for future delivery are concerned, of any slackening in public demand, and recent war developments indicate that requirements for war purposes are likely to be at a higher level than was estimated a short time ago. There is such a heavy backlog of housing and other reconstruction being piled up, that even with a falling off in direct and indirect war requirements, production in the industry would be fully occupied for a period of some years in providing for postwar and reconversion requirements.

The other side of the picture is, that in the immediate future raw material scarcities and problems of manpower, transportation, etc., are not likely to diminish their effect.

• • •

Herbert C. Nicholls

President, Canadian Construction Association and Milne & Nicholls, Ltd., contractors, Toronto.

Expectation in the construction industry is that 1945 will see new business booked in volume not far removed either way from that of the past year.

Despite virtual completion of war building, labor and material shortage has blocked any wholesale satisfaction of the pent-up demand for buildings, houses, repairs and engineering works. But the pressure of this long-accumulated backlog is now so great as to virtually assure substantial volume of construction operations until the end of the European war permits a major step in reconstruction. When that time comes, the construction industry will be found ready to shoulder the big responsibility which apparently is to be given it for providing employment during the transition to peacetime production.

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